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Garden sculpture AND SCULPTURED **GARDENS**

BRITISH TELECOM The prospects for a share sale THE UK TRAVEL TRADE

iournev A summer of turmoil

TURKEY A sentimental

BY OUR BANKING CORRESPONDENT

FURTHER sharp falls in international interest rates pushed the UK stock market

to a new peak yesterday with the FT Actuaries All-share index rising 1.6 per cent to an all-time high of 341.71

Gilt-edged prices also rose to their highest level for nearly

The three-month Euro-

dollar interest rate fell by three-quarters of a percen-

tage point to 12; per cent as

sentiment strengthened that firm downward trend. This,

together with the relative

strength of sterling, has

three years.



NEWS SUMMARY

GENERAL

Israelis bomb Beirut again

Israeli aircraft bombed Beirut again yesterday, intensifying pressure on the 6,000 Palestinian guerrillas beseiged

In Paris. Fadel El-Dani, deputy chief of the Palestine Liberation Organisation's office there, was killed in a bomb attack as he prepared to drive to work. Back Page

Death toll at 10

Another soldier died last night after Tuesday's bomb attack in Hyde Park bringing the death toll to 10, the Army disclosed.

U.S. arms deal

Spain la to buy 84 U.S. F-18A McDonnell Douglas aircraft at a Page; Washington F-16 offer,

Strike warning

The Society of Civil and Public-Servants warned that it will resist Government attempts to enforce very low pay settle-ments with strike action. Page 3

Wine veto lifted...

West Germany said it would lift to \$363.75 an onuce. In New its veto on a plan simed at York the Comex July close was preventing Franco-Idahan wine \$360.2 (\$358.8). Page 19

implications raised by test tuhe

hanies was announced by Norman Fowler, Health Secre-

Defence probe

The Defence Ministry is investigaling the loss of secret papers detailing plans to transport explosives through Britain.

Floods kill 18 At least 18 people were killed

floods and landslides and about 160 others buried alive under slips caused by beavy rain in Nagasaki, Japan.

S. Africa move

South Africa is stepping up efforts to locate and repatriate about 5,000 Mozambicans working illegally-most as farm labourers-in Eastern Transvaal. Page 2

Child raiders

Two children aged hetween 10 and 12 stole more than £5,000 in a raid on a sub post office in Westnn Turville, Bucks.

Neo-Nazi killings Neo-Nazi group Ludwig sald it

killed a priest and a lay hrother in Vicenza, Northern Italy, The two were beaten to death with

Trumpet welcome want from trumpets welcome manufacturer, went into manufacturer, receivership. Page 16 Trumpet welcome to welcome the Panchen Lama,

Tihet's second highest spiritual leader, back to his home monastery after 20 years in

Briefly . . .

7

Mint, lime, orange and cinnamon flavoured cigarettes will go on sale in Japan. Princess of Wales will attend the Falkland Islands service at

St Paul's Cathedral on Monday. The Louvre and other tourist spots were barred to visitors hecause of a strike in Paris.

BUSINESS

Equities firm; dollar weakens

● DOLLAR continued to weaken. It fell to Y249 (Y251.8), DM 2.395 (DM 2.434), FFr 6.6725 (FFr 6.77) and to SwFr 2.02 (SwFr 2.0625). Its trade-weighted index dropped to 118.3 (119.4). Page 21

• STERLING rose 1.75 cents to \$1.76425, but fell to DM 4.225 (DM 4.255), FFr 11.77 (FFr 11.825). SwFr 3.565 (SwFr 3.605) and to Y439.5 (Y440.5). Its index was unchanged at 91.

• EQUITIES firmed as confidence grew that interest rates would continue to fall. The FT 30-share Judex rose 5 to 578.2. Both the FT. Actuaries Industrial Group index and the FT Actuaries All-Share index reached all-time highs at 346.1, np 1.7 per cent, and 341.71, up per cent, respectively, Page

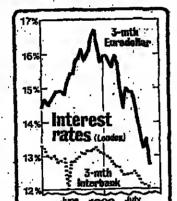
• GILTS made fresh gains parity on lower period rates in money markets. The Govern-ment Securities index closed up 0.2 to 72.66. Page 22

. GOLD rose \$11.25 in London

Test tube inquiry

A hig inquiry into the moral

A high inquiry into the moral into the moral



three-month Eurodollar interest rate fell by three quarters of a percentage point to 12; per cent on hopes that U.S. rates will continue to drop. Stock Exchange, Page 22; Wall Street,

• WALL STREET was down 1.9 at 830.1 at 3 pm. Page 18

 NISSAN executive visited Whitehall amid fears that the Japanese company may shelve plans for a car plant in the UK.

Page 3 WEST GERMAN bankers will write off a further DM 280m (£61.5m) of loans to AEG-

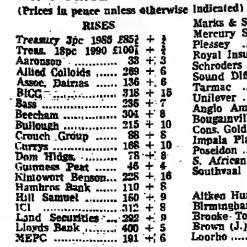
Telefunken. Page 19

• AUTOMOTIVE PRODUCTS Midlands motor parts supplier, plans to axe 900 johs and put 7,500 workers on short time.

. JOHN BROWN, engineering group, is in make no provision for losses that may arise from £104m contract on Soviet gas pipeline. Back Page, Lex; Results, Page 16

• FRANCE faces EEC action over its £500m ald package to farmers. Page 2

CHIEF PRICE CHANGES YESTERDAY



Marks & Spencer ... 169 + 5 Mercury Secs. 204 + 14 Plessey 527 + 10 Royal Insurance ... 375 + 13 Schroders 440 + 25 Sound Diffusion ... 120 + 6 Tarmac 320 + 16 Unilever 640 + 20 Anglo Amer. Carp. 570 + 20

Anglo Amer. Carp. 570 + 20

Bougainville 78 + 5

Cons. Gold Fields 412 + 15

Impala Plat. 240 + 22 Impala Plat. 240 Southwaal £161 ,+; } FALLS

many years of inflation there are now also significant deflationary pressures associated with high

EEC bid to revive U.S. steel peace plan

BY GILES MERRITT IN BRUSSELS AND ANATOLE KALETSKY IN WASHINGTON

CONTINENTAL SELLING PRICES: AUSTRIA Sch. 15; BELGIUM Fr 35; DENMARK KI 6.50; FRANCE Fr 5.00; GERMANY IIM 2.0; ITALY L 1.000; NETHERLANDS FI 2.25; NORWAY Kr 5.00; PORTUGAL

munity's options following the rejection by the U.S. of its ing avenues.
peace plan for settling the But it seem transatlantic steel row.

U.S. and European officials in Washington held out little hope of an amicable resolution to the dispute, but insisted that the door would not be completely closed until midnight tonight.

stop imposition of punitive ducts, together with a commit-duties by the U.S. on certain ment by West Germany, the duties by the U.S. on certain EEC steel imports would be an agreement from U.S. private steel producers to drop their complaints of unfair subsidies against the European industry. Such a development was unlikely, both U.S. and European

Preliminary countervailing duties are already in place on steel products from the UK, France, Italy and Belgium. British Steel Corporation faces

rig, U.S. Commerce Secretary, sent a private letter to Viscount

BY ALAN FRIEDMAN

silver bullion by a Saudi

The client is believed to be

the Al Dammam-based company

of Abdullah Saleh Al Rajhi, a

40-branch money changing and

travellers cheque business which

caused a £2.5m write-off hy

Mocatta and Goldsmid, the Lon-

don bullion dealer subsidiary

The Abdullah Salah Al Rajhl

group is also facing a £3.2m

claim from Thomas Cook, the

travellers cheque subsidiary of

In Brussels, a Krediethank

executive last night issued the

"The forward and spot trans

actions in silved with our Saudi

Arabian customer remain covered with sufficient colla.

teral. Moreover, for months the

bank has taken the necessary

covered with sufficient colla-

usual Saudi Arabian way, this

. These include, inter alia,

mortgage registrations on im-portant real estate and other

of Standard Chartered Bank.

Arabian client.

Midland Bank.

collateral,

following statement:

EEC Foreign and Industry Industry Commissioner, explain- would be "unfortunately no

But it seems unlikely that the EEC's hid to secure bilateral agreements on steel for Britain, France, Italy and Belgium can be revived by midnight

European Commission officials nevertheless insist that the offer for 10 per cent reductions of those countries' U.S. market After that the only way to shares in sensitive steel pro-Netherlands and Luxembourg not to hoost their U.S. exports, was intended as the basis for negotiations.

Brussels officials have stressed their disappointment that the proposals were turned down aut of hand hy Washington. They say that the U.S. give the EEC to understand that the coordinated bilateral pacts would he as acceptable a framework negotiation as the global 40 per cent duty. EEC-U.S. steel deal for which Yesterday Mr Malcolm Bald- the Commerce Department is

over Saudi Arabia silver deals

realisation of the above men-

Saudi Arahla and in Belgium

have been informed and are

It is understood that the

Ahdullah Saleh Al Rajbi and

a Saudi client's silver dealings

first came to light in early

in the handling of the case."

The monetary authorities in

tioned collateral."

his personal assets.

March.

once again calling.
Mr Baldrige had told Brussels Etienne Davignon, the EEC that a 10 per cent reduction

Ministers meet in Brussels this ing the U.S. refusal of a Eoro- legally acceptable "to eliminate morning to review the Company voluntary restraint offer the "Injurious effect" of submunity's options following the and exploring further negotiations idised European steel on the

He recalled that European exports to the U.S. increased hy about 30 per cent hetween 1980 and 1981, raising hopes among some officials that a cut in European exports greater than 10 per cent might prove accentable.

Other U.S. officials said that the switness with which Mr Baldrige rejected the European proposals on Thursday suggested that a political deci-sion had been taken not to settle the dispute.

The signs are that the original EEC offer involved cuts of some 300,000-500,000 tonnes, while the U.S. target for some time has been to slice EEC steel exports hy some 1.5m tonnes to about 4.5m tonnes a year.

Though passing today's dead-line is serious, it does not preclude a global settlement that would lift the preliminary U.S. countervailing duties, which threaten to stifle some 3m

Belgian bank takes legal action

KREDIETBANK BELGIUM, the communication by the Saudi Al Rajhi's behalf is believed third-largest bank in Belgium, authorities that they are moving to be at least \$80m (£46m) is facing a substantial exposure against the debtor can be congiven present market conresulting from speculation in sidered as the beginning of the ditions. The balance of the exposure might be recovered through the realisation of Saudi land and other security which was pledged by Abdullah Saleb Al

co-operating in these steps and Rajhi to Kredietbank. The Belgian hank's official net worth is BFr 15.95bn authorities in Saudi Arahia have ordered the suspension of all commercial activities of (£200m), but the haok has addi-

tional hidden reserves. Earlier this week Thomas may have ordered a freeze of Cook said it was seeking an outof-court settlement on £3.2m of Kredietbank's involvement in

debt owed for travellers cheques. This deht, if fully written off, could wipe out 75 per cent of the Cook travellers cheque earnings this year.

Krediethank is taking legal Oo Thursday the Al Rajhi ompany for Currency action in Saudi Arabia and its nominal exposure is thought to Company for Currency be about \$210m (£120m). The Exchange and Commerce, a bank appears confident it will Riyadh-based 160-branch group recover the full amount, how which Is run hy the Al Rajhi ever, and said in March its family of Saudi Arabia, said earnings for last year had not under no circumstances would heen affected.

Arkola, said in provide any help to Abdullab it provide any help to Abdullah Saleh Al Rajhi in Dammam. It is understood that a provision of around BFribn A spokesman for the family (£12.6m) was made last year. in Loodon said the Damman

In addition, the realisable value company had been disowned by the family and had no connecof the silver purchased through pledges. In this framework the Krediethank on Abdullah Saleh tions with it.

loses sixth economist By Anatole Kaletsky in Washington MR MURRAY WEIDENBAUM,

Reagan

President Ronald' Reagan's Chief Economic Adviser, has resigned amid speculation that he disagreed with an optimistic economic forecast which the Reagan Administration was originally due to publish yesterday. The forecast has now been delayed until Monday.

Mr Weidenbaum is the sixth, and most important, senior Administration eronomist to have resigned in recent months.

Mr Weidenbaum's resignation does not appear to indicate a victory for any one economic faction in the Administration. It s more likely to he indicative of a growing concern among all schools of professional economists about the basic inconsistencies in the Reagan economic programme.
Other Administration econo-

mists to have resigned recently include a monetarist, Mr Jerry Jordan, of the Council of Eronomic Advisers; two com-mitted "supply-siders," Mr Norman Ture, Treasury Under-secretary for Tax Policy, and Mr Paul Craig Roberts, Treasury Assistant Secretary for Economic Affairs; and two more traditional international economists, Mr Myer Rashish, Undersecretary of State for Economic Affairs, and Mr Bob Hormats, Assistant Secretary of

State for Economic Affairs. Mr Weidenbaum's resignation was officially explained as a personal" decision connected with his desire to return to Continued on Back Page

Editorial Comment, Page 14 Market Reports, Page 21 **Pressure for Cunard**

to build ship in UK

BY ANDREW FISHER, MARGARET VAN HATTEM AND IVO DAWNAY

to ensure that the successor to the Atlantic Conveyor is huilt in Britain and not the Far East, intensified yesterday. The vessel was destroyed in the Falklands

RECORD HIGH FOR ALL-SHARE INDEX

fueled expectations that UK

hanks may son move to cut the cost of overdrafts.

However, the UK authorities seemed anxious to limit

the speed of the fall in UK ioterest rates and maintained their intervention rates in

their money market opera-tions. Nevertheless, the three-

month interbank rate-a good

proxy for UK base rates—fell by 'k of a percentage point to

12 per cent, a fall of half a

percentage point over the last

Trade union leaders told Lord Matthews. chief executive of early next week to try to force Cunard, which owned the ship, an intervention. that the company had a responsibility to build the new one in the UK. But he said the gap of some £15m between the British and the South Korean prices would have to be met by the Government through a sub-

It was clear in Westminster that the Government was embarrassed by the issue. The decision is increasingly seen as political rather than economic, and several cabinet ministers are understood to feel that concern for UK industry and employment should be seen to outwelgh free-market principles.

After the union meeting with Cunard, Mr David Lea, assistant general secretary of the Trades Union Congress (TUC), said: It would be seen as a disgrace in this country if the Atlantic Conveyor were not replaced by a British ship."

The Transport and General Workers Union's docks group will meet on Wednesday to discuss plans to black all Cunard vessels, including the QE2 passenger liner, if the Government fails to propose a subsidy.

Mr Lea said the unions had asked to meet Mrs Margaret Thatcher, the Prime Minister, to

PRESSURE ON the Government stress that other governments provided extra finance for companies to build ships in national yards. Delegations of back-hench Conservative MPs ara also pressing to see Mrs Thatcher and Mr Patrick Jenkin, the Industry Secretary,

> The TUC delegation to Cunard included Mr Bill Sirs. the steelworkers' leader, Mr Alex Ferry, general scretary of the Confederation of Shlpbuild-ing and Engineering Unions, Mr Terry Duffy, the engineering union president, and Mr Ken Gill, general secretary of TASS. white-collar engineers organisation.

"I am as anxious as the unions are that we should build the ship in Britain," said Lord Matthews, "bnt I don't want to do a Freddie Laker on ourselves." He was believed to be referring to the possible results of an uncommercial decision.

So far the Government had not provided much encouragement for the idea of a special subsidy for the ship to be built in the UK, he said. He had mentioned the matter to Mrs

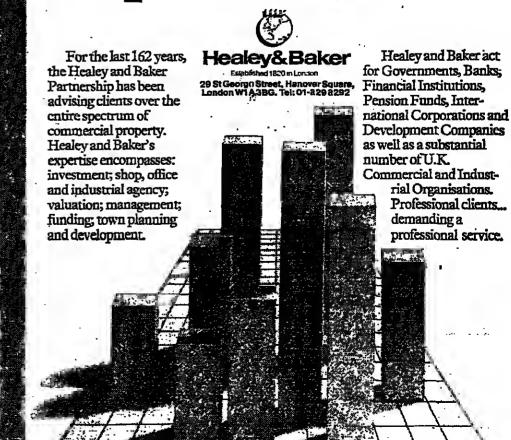
Continued on Back Page

£ in New York

July 2a

201 21.7490-7503 21.7455-7480 1 month 0.01-0.06 pm 0.04-0.08 pm 5 months 0.53-0.68 pm 0.70-0.78 pm 12 months 3.20-3.35 pm 3.25-3.40 pm

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Lloyds Bank profits up 11% in first half

BY WILLIAM HALL, BANKING CORRESPONDENT

LLOYDS BANK, the first of the Big Four clearing hanks to report its half-year results, bas increased pre-tax profits by 11 per cent to £193.1m and raised its interim dividend by 15 per

The hank does not appear to have suffered uoduly from its involvement with Argentina. where it has a large retail branch network, although the group's provision for had and doubtful dehts has risen by £37.8m to £62.1m.

Lloyds will not confirm whether it has locreased provisions to cover its exposure in Argentina, but does say that the increase "reflects the worldwide recession and political upheavals in a number of Sir Jeremy Morse, the bank's

Sovereign to £590.5m and other operating income rose by 22 per cent to £188.5m, compared with the first bank branch advances 24 pe to £503.5m. However, the profit on the comparable 1981 period. improvement is tempered by a £14.2m deficit on foreign exchange transactions, reflecting mainly the devaluation of the Argentine peso.

Compared with recent years, when the intercational side has made the running, Lloyds Bank's domestic operations provided the growth in the latest period, accounting for about 54 per cent of total profits. International profits fell. "reflecting lower economic growth worldwide resulting from high interest rates and unstable conchairman, says that, "after

ditions. Over the six months to the real interest rates affecting both and of June, Lloyds' average

corporate base rate was 13.4 per cent. world." This compares with 12.8 per borrowers around the world."

This compares with 12.8 per
The group's net interest cent and 13.7 per cent in the
revenues rose by 29 per cent first and second belives of 1981. first and second halves of 1981. Domestic loan demand was very huoyant, with clearing half of last year. Operating cent up on the second half of expenses rose hy 22 per cent last year and 44 per cent up last year and 44 per cent up

Current acrount halances were flat, and the strong growth in lending resulted in Lloyds having to move into the money market for funds. The hank believes that Britain may be moving closer to recent experience in the U.S., where small investors have moved their money out of banks and into higher yielding investments.

The group has declared a dividend of 9.92p per share, which is 7.6 times covered by earnings. Lloyds Bank's share price rose 5p to 400p.

Results. Page 16 Lex, Back Page

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For latest Share Index phone 01-245 8026

Koreans win \$960m Iraq rail contract

By Paul Cheeseright, World Trade Editor

COREAN COMPANIES have von a \$960m (£552.5m) con-ract to build a 273 km (169 miles) railway in orthern Iraq.

The contract, amounced resterday in Seoul hy Korea Overseas Construction, the consortium leader, involves building a diesel electric line between Kirkuk, Baiji and Haditha, with stations and

Other members of the consortium are Hyundai Engin-eering and Construction and Namkwang Construction.

against the background of a slowdown in Iraql develop-ment plons because of the war with Iran and the resulting financial constraints. This has forced a reassess-ment of priorities. But the emphasis on improving trans-

port facilities has been maintained. The Korean consortium has signed its contract with the New Railways Implementation Authority, which between now and 1985 is seeking to add 2,400 km of standard guage track to the existing Iraqi

Blds for the contract were called for March nn the basis of designs and documents drawn up by Deutsche Eisen-hahn Consulting of West Germany. The company will supervise construction, which scheduled for completion

Earlier reports from Iraq had suggested that com-petitors with the Korean consortium, known to industry executives in the area for its aggressive opproach, came from Brazil, France, Italy and West Germany.

The successful Korean challenge for the contract and the previous success in Iraq of companies like Mendes Junior of Brazil and Indian Railway Construction testify to the growing role being played in the Middle East by groups from the newly industrialising coun-

No details of the financing for the contract have been disclosed, but bankers have noted that Iraq has become increasingly interested in credits to fund major devel-

Bonn bows to pressure on wine war curbs

BY LARRY KLINGER IN BRUSSELS

WEST GERMANY has decided to allow itself to be outvoted by its EEC partners on new European Community measures designed to prevent the outbreak of further French-Italian wine wars." The decision comes despite Bonn's strong policy objections to the scheme and its opposition to the poteorial cost of the measures.

West Germany's Secretaries of State responsible for European affairs had unanimously rejected the scheme, which deals with the distillation of cheap surplus wine into industrial alcohol. But Bonn decided vesterday lo bow to pressure from most of its EEC partners so that the measures can be implemented before the traditional autumn barvest outbreak of wine trade tensions between

France and Italy. The concession is an impor-tant one for West Germany, "paymaster of Europe," as it which remains the principal could open the way for increased majority pressure being brought to overcome its opposition on cost grounds to other Gommunity projects.

BY JAMES BUXTON IN ROME

Italy's exploding public sector

deficit. But many contentious

details remain to be settled

Ministers are broadly agreed on the need to cut the deficit

through the Credit THE European Commission has opened legal proceedings against France because a sub-Agricole, the farmers' co-operative bank. stantial portion of its £500m

aid package for farmers appears to break EEG rules, Larry Klinger writes from The Commission, which has approved about half the French measures, is nevercontesting funds worth an estimated FFr 2.5bn

sk France to demonstrate Several EEC states, with Britain in the that the Credit Agricole forefront, had been pressing operations do not contravene Treaty of Rome obligations for member-states to prevent for Commission action since the French announced their the distortion of inter-Comaid package eight months ago. munity trade.

Opponents of the French move argued that, even if much of the French programme proved to be technically legal, its scale alone

munity's annual August recess.

approved by all the other nine

member-states on Monday after

regarded as adequate safe-

The wine scheme was finally

obtained what it

of the basket nn which the depends.

Minister, and the

based, and to lower it on others,

thus avoiding tax rises being

reflected in higher wages under

contentious indexation

Sig Nino Andreatta, the

French face EEC action over farm aid

fail to satisfy the Commission, a case will be lodged in the European Court. West Germany complained the two Gouncils of Ministers scheduled for next that the Agriculture Ministers, week, the last before the Com-

was enough to distort trade within the EEC.

The Commission will now

If French representations

in expanding the scheme to dncts, had added at least £15.7m to the projected annual cost of the scheme. Bonn pointed out that it only approved the provisional scheme earlier this year on condition that the gnal details The issue is now expected to guards for its industrial alcohol would not cost "one pfeuning be placed on the agenda of one market.

according to Sig

the trade unions. Two of the

three main union confederations

have occepted the need for change, but the third, the

Gommunist-oriented GGIL, is

Bonn believes that the European Commission's provisional estimate that the cost of the scheme will average about £210m a year to be a "gross underestimate" and objects in principle to the inclusion of any new products in EEC programmes designed to guarantee prices to producers of surplus output

West Germany is also placing itself firmly on record against any possible expansion of the scheme if Spain joins the EEC.

The new schame relies on series of compulsory and volun-tary distillations of surplus wine into industrial alcohol at minimum prices to producers. The aim is to mop up over-productions while guaranteeing minimum incomes and preventing the flooding of the French wine industry with cheaper Italian imports.

Past wine wars have resulted in France illegally blocking hundreds of millions of litres of Italian wina imports fellow ing widespread and often violent protests by French

Both sides keep silent in Gulf war

By James Dorsey in Kuwait

IRAN and Iran kept np faelr official silence yesterday on the ontcome of the latest offensive in the Gulf war. still opposed, and there are dangers of an unprecedented Fierce fighting was reported on Wednesday night after Iran launched a second largescale offensive into Iraqi territory, north-east of the

port of Basra.

After initial claims of success by both sides, no military communiqués have been issued in either Tehran or Baghdad.

Diplomats said that Iran had poured tens of thousands of troops across the border north and south of the border post at Zeld. But Tehran Radio de no mention of the war during news bulletins yesterday. Iraq's Ministry of Defence

called np a further batch of reservists this week. An announcement by the Ministry said that Iraqis born in 1953 should report as from August 1. Neither Baghdad Radio nor the official Iraci news agency mentioned the fight-

Diplomats speculated that iran's silence could be air indication that its offensive was less successful than it initially claimed.

But other observers felt that Iran's commitment to the overthrow of President such that a further Iranian military push may be expected at any moment.

Israeli general claims war aids peace hopes

By Andrew Whitley

THE ISRAELI campaign in Lebanon is the "most im-portant and vital war" since the country's independence

Services' Institute insisted that the Palestine Liberation Organisation (PLO) had to be removed from Lebanon. If Mr Philio Hahib, the U.S. special envoy, failed in his mediation mission "we will definitely enter West Beltut," said the General, who has served in

Father to conclude the action would give the PLO its "hiegest victory" nolitically, and woold lead to a "massacre" of the Lebanese Cristians who had sided with the advancing Israelis,

The stocky, casually dressed general, who stressed he was speaking only from a military point of view, said it had been a "big mistake" on Israel's part not to have entered West Beirut immediately. Lives would have been saved, he claimed, and Israel

Gen Eliezer claimed that excinding West Beirut there were only 31,000 refugees in Lebanon as a result of the war. Arab deaths were put at 1,300, of which 1,000 were said to bave been "terror-

The tally of Syrian equipment losses in air battles with the Israell forces in Lebanon was said to be 88 MiGs and 10 helicopters.

Washington F-16 offer on eve of Gandhi visit

BY K. K. SHARMA IN NEW DELHI

IN A SURPRISE move, the U.S. Administration yesterday offered to sell military equipment to India, including the sophisticated F-16 aircraft The offer was made in a state-

ment to Indian reporters in Washington by Mr Walter Stoessel, the Deputy Secretary f State, in what is thought to be an attempt to improve rela-tions with New Deihi shortly. before Mrs Indira Ghandhi, the Indian Prime Minister, visits Washington next week.

India has severely criticised the U.S. decision to supply F-16s to Pakistan as part of a \$3.3bn (£1.89bn) arms deal announced last year. Mrs Gandhi has repeatedly said that Pakistan could use the weapons only against India and that the deal had drastically changed the mili-tary balance in the subconti-

India recently reopened the arms supply question with the U.S. and has indicated that it wants to purchase Tow missiles and artillery. So far, however, no request bas been made for the F-16 aircraft, 40 of which are to be supplied to Pakistan

in the next two years.

Mr Stoessel told Indian reporters that the U.S. arms supply to Pakistan would not disturb the "balance" in the subcontinent since India was vastly more powerful than Paki-stan. He said the U.S. arms supply was "defensible and reasonable in the interests of



stability in the area." The question of arms supply to Pakistan is certain to be taken up by Mrs Gandhl in Washington as it is one of the main reasons for the present coolness in Indo-U.S. relations. But it remains to be seen how she reacts to the offer to self sophisticated military equipment

to India. The Indian Government has recently launched a major defence equipment purchase programme which French Mirage 2000s from France and Soviet MIG-23s and MiG-25s, as well as plans to improve defence capability through local manufacture:

Protection for police in Zimbabwe

By Our Harare Correspondent. ZIMBABWE yesterday formally

extended its state of emergency for a further six months and gazetted new regulations pre-cluding legal action against civil servants, the police and the military for actions taken for reasons of state security. for réasons of state security.

Political commentators here immediately pointed out that when the minority government of Mr Ian Smith introduced similar regulations in the 1970s he was widely criticised in many quarters, including Britain.

The Emergency Powers (Security Forces Indemnity) regulations give Mr Robert Muyahe the Prime Minister.

Mugabe, the Prime Minister. the power to stop either civil members of the army, police and prison services. The regulations follow a civil court action, conducted in camera, by a white Member of Parliament. Mr Wally Stuttaford, ogainst the security forces for torture.

The result of the case—which Mr Stuttaford is understood to have won—has not been revealed.

The new emergeocy powers will prevent any further such actions being brought against the Government. Previous

indemnity legislation intro-duced by the Smith Government and strongly criticised by Western governments, includ-ing Britain, was repealed in 1980. A number of civil actions are currently pending against the Zimbabwe security forces but the new regulations are retrospective and could ensure that these actions come to nothing.

Mozambique workers clampdown

By Bernard Simon in Johannesburg SOUTH AFRIGA is clamping down on the movement of Mozambican magrant workers across its eastern border, follow-ing several incidents of sabotage by black nationalist guernillas

in the area.

The immediate action is aimed at finding and repatriatgrants, most of them working as farm labourers in the eastern Transvaal.

The flow of immigrants auross the border has Thoreased recently, according to officials, apparently as a result of high unemployment and food short ages in Mozambique.

The South African authorities are clearly concerned at it access to the eastern border area poses to internal security. ...! Recent incidents of sabotage have included the derailment of

a passenger train and an attack on fuel storage tanks

Dr. Piet Koornhof, the

Minister for Go-operation and Development, responsible for black affairs, said the action did ""
not involve the 12,000 Mozam " bicans who are legally em-

AP adds from Lisbon Guerrillas seeking to oust the Mozambique Government yester. doy claimed their forces sabo-taged railway lines in central ... Sofata and Manica provinces a servicing Malawi and Zimbabwe. Mr Evo Fernandes, European spokesman for the Mozambican Resistance Movement (MRM) also claimed the government of President Samora Machel was preparing to launch a large-scale

counter-offensive

Japan defence bill may exceed ceiling BY CHARLES SMITH, FAR EAST EDITOR IN TOKYO

A MID-TERM defence pro-gramme approved yesterday by 1 per cent of GNP on the basis. the Japanese Government will of the standard Nato formula-almost certainly result in for assessing defence expendit, defence spending exceeding 1 ture. The Nato formula standard per cent of gross national pro-

The defence programme estimates expenditure on "main equipment" between 1983 and 1987 at between Y4,400bn (£10bn) and Y4,600bn. Overall defence spending is put at between Y15,600bn and Y16,400bn. The lower of these figures would amount to .0.97 per cent of Japan's officially estimated GNP during the same five year period while the higher figure represents 1.02 per

next five years.

cent of GNP.
Official GNP estimates, however, are based on the notion that the Japanese economy will grow at 5.1 per cent per yeara figure which almost all private forecasters now believe is too

The passing of the 1 per cent "milestone" is politically signi-ficant for Japan because the

Government has been limiting defence spending to less than this amount for some years in accordance with a cabinet resolution. Politicians, including Mr Zenko Suzuki, Prime Minister, are now starting to hint that the 1 per cent ceiling will be breached. But statements on the subject are deliberately

includes pensions) gives a figure of around 1.4 per cent-for Japan compared with that duct at some time during the official Japanese figure (for 1982) of 0.93 per cent.

The Y4,400bn to Y4,600bn worth of main equipment spending projected in the new plan compares with a target of Y2,600bn to Y2,800bo for the current plan (which was originally due to run until 1984 but which is now being superaeded).....

Main equipment spending will account for about 28 per cent of all defence spending in. the new plan period, compared: with ratios of about 20 per cent: np to now. The new plan pro-vides for 75 new F-15 fighter. aircraft, as well as 50 new P3C anti-submarine aircraft and 14: new anti-submarine surface ships - bringing total strength to 60 ships.

The mid-term programme represents the Defence Agency's estimate of what it should acquire over the next five years to bring Japanese defence capability up to the levels set out in a Defence Programme Outline published in 1978, Actual expanditure will con-

tinue to be fixed on an angual basis and will depend on Fig. vague. Dan's defence ance Ministry approvat.

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between L8,000bn (£3,3bn) July 31, Christian Democrats want a split in the trade union move and L10,000bn by raising in-direct taxation and some cuts in The Socialist Finance Minister. thorough revision of the scala Sig Rino Formica, who is resmobile basket to remove from ponsible for taxation, wants to it the effects of VAT rises. the unions will postpone trying raise VAT only on those items Any policy to change the to formulate a co-ordinated which do nothappen to be part workings of the scala mobile, The measures are borrowing requirements back

Italian Cabinet agrees to act on deficit

U.S. price rises confirm 7% inflation trend

BY ANATOLE KALETSKY IN WASHINGTON U.S. increased by 1 per cent in June, confirming that the trend of U.S. inflation is returning to

index .(CPI), which compared in house prices. with increases of around 0.3 per cent a mooth in the previous

the main reason for the deterio- translates into a compound rate ration in the trend of inflation. About three-fifths of the in-crease in the CPI in June was due to energy prices and bousafter exceptionally low inflation lng costs. Petrol prices rose by figures earlier this year. 5.4 per cent in June and house. increase to the consumer price cent as a result of an upturn

(£210m) being made avail-

Bonn bas made it clear that

it will not invoke the EEC's

Luxembourg compromise,'

which gives a member-state a sole veto when "important

national interests" are at stake.

But it is equally firm that other

member-states will bave to carry the wine scheme over its

Sig Giovanni Spadolini, the

week that he would resign if the

Prime Minister said earlier this

ment was not able to agree on

the package by the deadline of

formal objections.

THE ITALIAN Cabinet yester towards the L50,000bn (£20.8bn)

day agreed the broad outline of target for this year, as opposed

before next weekend's deadline. his five party coalition Govern-

the package of measures to curb to the expected L65.000bn.

May also saw a 1 per cent, ing costs increased by 1.2 per averaging between 6 and 7 per 'about right on track."

of over 13 per cent. After the summer, however, the Labour Department expects the CPI to settle down at a lower rate. The analyst said that forecasts of inflation cent for the year as a whole are

tion-backed plan to raise an extra \$98bn (£57bn) in Federal taxes over the next three years.

scala mobile price index is Spadolini, on the agreement of

The Senate voted 50 to 47 to approve the increase as part of a package of measures designed to reduce the Federal Governmeot's expected deficit of ever \$100bn in the 1983 financial year. The package includes

with increases of around 0.3 per A Labour Department analyst ent a mooth in the previous said yesterday that July's increase our months.

Rising energy prices were a be about 1 per cent. This lo U.S. history—an Administration social welfare programmes. three-year \$17bn cut in Federal spending for some medical and

James Buxton reports on South Tirol's split loyalties Italy's Little Austria drifts right

AN OPINION POLL last month found that the majority of the inhabitants of a small part of northern Italy waoted West Germany to win the World Cup. Incredible, ooe might think except that the poll was taken in the South Tirol, where the majority speaks German majority speaks German because Italy acquired the area from Austria after World War I.

The poll was taken before the World Cup. when nobody thought that Italy hod a bope of winning and, by the time Italy came to confront West Germany in the final, most of the German speakers had swung round to what turned out to be the winning side. But the story shows that after 62 years of being Italians. many South Tirolers are still equivocal about their

ioyalties. Until 10 years ago they had some justification. In the 1960s the South Tirol—known in Italian as the Alto Adige—was a European trouble spot, discussed at the United Nations, and the scene of necessional acts of terrorism, which look modest by present-day standards. The bottle was far autonomy for the predominantly German-speak-

ing province.

Italy's claim to this land of beautiful Alpine valleys and mountains, including part of the Dolomites, was based solely on the need for a good strategic frontier, running along the central ridge of the Alps and Including the Brenner Pass. The trouble began under Mussolini, who was determined to Italianise the South Tirol. which up to then was a land of farmers with very few Italian inhabitants. Heavy industry was encouraged to set up at Bolzano. the capital, and Italians came in from crowded cities elsewhere to work in it and to administer

The teaching of the German language was forbidden (though it went on clandestinely), the placenames were Italianised, and a commemorative arch was built in Bolzano to mark the bringing of "civilisation" to this barbarian outpost. The arch, beavily protected, still

After World War II, the Allies, who had contemplated returning the South Tirol to Austria, guided Sig Alcide de Gasperi, the Italian Prime Minister, and Herr Karl Gruber, the Austrian Foreign Minister, to sign a treaty under which Italy guaranteed protection for the German ethnic minority and premised to give the province of Bolzano special autonomous

gave special status to the whole

region of Trentino-Alto Adige which, because it included the

But under what the German speakers call tha "rip-off," the new Italian republic instead



A land of beautiful Alpine valleys and mountains.

the mid-1950s, Austria began vigorously to take up the South Tirolers' cause. After the "hot" decade of the 1960s a " package" of measures was finally agreed in 1972 to give the province of Bolzano-Alto Adige, where two-thirds if the 430,000 inhabitants are German-speaking, autono-

In the last 10 years, as the provisions of the antonomy package have gradually been implemented, the South Tirol bas been transformed. The provincial government, coutrolled by the Sudtiroler Volks-partel, which rules in coalition with some Italian parties, has considerable powers and firmly enforces the two basic principiles of the package: that jobs in public administration should from now on be divided on a proportional basis between the language groups and that bilingualism is required for all jobs in public administration.

In comparison with the single phalanx of the Volkspartel the Italians are a heterogenous gfiroup with few good leaders. but their status almost as underdogs has been compounded by another factor. The German speakers bave become wealthy. The Italian speakers have been left with large-scale iodustry (doing badly throughout the country in comparison with the small-scale businesses), and ill-

paid public administration. Some of the younger politicians are finding that it pays in terms of electoral support to be as right wing as possible. The moderate, older generation of leaders, under Dr Silvius Magthe reasonable Austrians, the South Tirolers' official patrons. 00 and you must put up with But the right wing of the

Trentioo to the south, had an Strauss and the Munich-based overall Italian majority. From Christian Socialist Union. The Christian Socialist Union. The West German politician fre-quently visits the South Tirol and takes part in parades and marches in which the partici-pants revel in their German identity. There are even little groups of extremists who have formed Schutzbunder (protec-tion bands) that arouse echoes of Nazism

The existence of a strong right wing means resistance to anything that might be seen as an incursion by the Italian minority. For example, some Italian speakers now want their children to start to learn German at primary rather than secondary school, so that they learn better the dominant language of the province.

The drift to the right, which could cause a split in the Volks-parter when the 68-year-old Dr Magnago eventually retires, has been fuelled by the recessionwhich has ended the economic boom and brought high interest rates leaving many husinessmen badly overborrowed-and from mounting frustration with the inefficiency of the Italian central government, in contrast to the Teutonic rigour of the young provincial government.

But why should the pros-

perous locally dominant German speakers become less moderate the more they gain? Two comments from German speakers in Bolzano: "The German speakers are undoubtedly the best-protected Ilnguistic minority in Europe. But they are still o minority in Italy and there is always the fear that the Italian governnago, tha veteran president of the Volkspartei and of the regional government, look to This is how we are going to Interpret autonomy from now

"Unlike the British, Germans party, now making up about 40. "Unlike the British, Germans per cent, draw their inspira- have an unfortunate tendency tion from Herr Franz Josef to go too far."

the country's independence war in 1948, a senior Israeli general said in London yesterday.

General Benjamin ben Ellezer, a former Military Governor of the West Bank, said that as a result of the Israeli action new hopes for peoce in the Middle East would appear. Lebanon would

wonld appear. Lebanon would he left in a better state, he claimed, with the Govern-ment in a better position to gain control over the whole country.

Gen Eliezer, who was speaking to the Royal United

present war.

be claimed

would have been spared much "unpleasant propa-ganda".

ists "

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Chancellor challenged on prospects for recovery

By Robin Pauley

THE -CHANCELLOR has been challenged by Sir Monty Finniston, president of the Association of British Chambers of Commerce (ABCC), to produce evidence that there is bope for even modest economic recovery in the immediate

Sir Monty wrote to Sir Geoffrey Howe to say that, although there were signs around the time of the Budget that a modest economic recovery was under way, it was now increasingly clear that, not only had the recovery nor been sustained but the economy was deteriorating.

He said the chambers commerce saw no basis for early optimism. All the evidence suggested a lower level of retail sales in the coming months and a number of chamhers had reported significant reductions in intentions by the private sector to invest.

The Government's declared policy would seem to rule out a substantial increase in public sector consumption or invest-"Despite. very great efforts to improve our export perform-

ance, we see no prospect of export growth solving our problems, the letter said. A number of important sectors—including textiles the metal industries and the car industry-had severe and continuing problems. The association was unable to identify any big sector of the economy which

was not in trouble. 'All our information points to further economic decline and the bankruptcy of a number of firms which bave become efficient and highly productive. We bave never before bad such unanimous agreement on the extent of the decline or on the absence of bope for the future,". the letter says.

This strong message of gloom from the ABCC follows repeated statements from the Confederation of British Industry on the dangers to industry from the Government's policies, interest rates and the high

sterling exchange rate.
The Government is under pressure from all sides of commerce and industry to show positive signs that its strategy

18-month suspended sentence at

him to pay £1,000 towards pro-secution costs, told him: "You

were a trusted employee of a

merchant bank and yours is a

grave offence. You were the holder of a Class A signatory,

which meant that other banks

could look to you for integrity."

Mr Philpott and an associ-

ate. businessman Mr Michael

Cadogan, were eaid to have

eheated a bank into making sub-

stantial loans for a property

Mr Timothy Langdale prose-

A BIGGER role for the EEC in financing programmes to assist At the industrial regeneration in that the

EEC to assume responsibility current year, for programmes now financed Taken togat

cuting, said that Mr Philpott

pretended that Mr Cadogan bad

Britain and other member states hit by the recession was

There were immediate pro-

tests from Labour anti-Marketeers when he made it

fresh air but it is likely to be

more expensive and poor in

public services, according to a

study by the Scottish Consumer

A picture of rural depriva-

HELP US LEAD

THE FIGHT

trinore research and ent support programmes a ever before — yet still the est possible running to 34% of all donations go reloting our what work downder, Please band to:

LEUKAEMIA

RESEARCH FUND

tion emerges from the council'a

dealer in Ireland.

BY IVOR OWEN

Treasury.

Jndge Dewhurst, who ordered £3m.

means.

Belfast aircraft plant lays off 560

BY OUR BELFAST CORRESPONDENT

LEAR FAN, tha U.S.-backed 400 at Reno, Nevada, are exearbon fibre executive aircraft next week of the workforce of almost 1,000. Mr Darwin Templeton, chair-people while talks about finance man, said the directors were ing the project were "urgently

£25m of government aid to provide 1,250 joba within five years. The Norhern Ireland some time. Department of Commerca has 49 per cent of the equity.

The 560 employees in

company which plans to make a pected to be laid off for the The Northern io Northern Ireland, yesterday Ireland factory will then be on announced a temporary lay-off two weeks holiday.

making operating economies while discussions with parties nursued."

While discussions with parties
The company was established interested in finencing the businear Belfast in 1980 with up to ness were urgently pursued. He the company has promised to £25m of government aid to ecknowledged that the discussions have been going on for quarter of next year.

In April his year the U.S. arm of the company spoke of the need to raise between £30m and

through to certification and production. At that stage the Department

limited short term assistance. The aircraft, with a current price of around £1m, Is largely made of carbon composite material. It bas attracted more than 270 advance orders and

lan Rodger writes: International Harvester (Great Britain) Is elosing its Bradford The 560 employees in need to raise between £30m and tractor factory in October, put-from the recessi Northern Ireland and more than £50m to see the aircraft project ting 510 people out of work. than expected.

Until last year, the factory made small 45 hp tractors but production was stopped because of Commerce gave the company of the gradual decline in world demand for this model. Since then the plant bas made componeous for use at other IH factories. This work will be transferred to the company's main plant at Doncaster...

Power

press

maker

saved

POWER PRESS

Wilkins and Mitchell, of Darlaston, West Midlands,

has been recovered from the

receiver by Verson Inter-national, the overseas arm of

the U.S. engineering group Verson Alisteel Press, it was

put into receivership earlier

this month by Centreway Industries, a Birmingham

belding company with manu-

facturing and motor distribu-tions interests, which has

kept Wilkins and Mitchell's domestic appllance husiness.

showed a trading loss of £880,000 in 1981 on a turn-

over of £4.84m, a hig fall in salee compared with the

Verson International has not disclosed the terms on which it has purchased the

asseta of Wilkins and Mitcheli hnt it said it hoped to save

all the company's 120 jobs.

Mr Harry Love. vice-president of Verson Allsteel Press.

who has taken over as acting

managing director of Wilkins and Mitchell said: "It is a company we have been in-

terested in for many years.

The skills, products and reputation of Wilkins and Mitchell

will fit ideally into our long

Versan already has manu-

facturing facilities in Bel-

gium and a co-production agreement for several other

Warning given on

equal opportunities

PRECAUTIONS need to he

taken in the present econ-omic climate to avoid under-

mining all that has been

achieved for women in the

past 10 years, Mr Ivor Richard, the EEC Commis-

sioner for Employment, Social Affairs and Education

Mr Richard was speaking

to a conference in London

organised by the Equal Opportunities Commission on

the new four-year European

Community Action Programme on the promotion of

opportunities for

promoting equal oppor-

equal pay, equol treatment in employment and parental

Mr Richard said about

£400,000 was needed for the administration of the action programme but it world be

a hard fight to obtain that

Half sovereigns on

SIR GEOFFREY HOWE, the

Chancellor said yesterday

that gold balf sovereigns are

heing minted again after a break of 67 years, and go on

The coins will he supplied by the Bank of England to

the London bullion market in

the same way as sovereigns

and will be available for delivery to the market from

Wednesday. At the present

gold price, the half sovereign

is expected to cost around

MOTORISTS can expect a £10 fine if they do not "belt up" when the seat belt laws are introduced next year.

The maximum penalty for

not wearing a seat belt will be £50 but guidelines issued

magistrates, suggest that

£10 fine likely for

seat belt offences

sale next week

sale next week.

said yesterday.

equal [

women

Sum.

previous year.

term plans."

The power press division

annonneed yesterday. .

makers

Sixty jobs ere to go at the Ipswich loudspeaker company of Rola Celestion. The company said the labour force was 100 large to support the present his from the recession much slower

Stock Exchange again attacks Gower report

BY JOHN MOORE, CITY CORRESPONDENT

THE STOCK EXCHANGE has that while there are no rules not treated as an asset of the launched another attack against to prevent fraud, "there are firm rather than the elients, in THE STOCK EXCHANGE use to prevent fraud, there are a Government commissioned re-however rules and procedures which can minimise the risk of by Professor Jim fraud."

The Stock Exchange says, Gower.

In his report, Professor Gower, adviser on company law urged a thorough overhaul of the method of regulation of the City of London's affairs which has provoked widespread hos-

The Stock Exchange has now slammed Professor Gower's specific criticisms which he levelled at the Stock Exchange. The Stock Exchange observes

"we ara disappointed that you give no weight to the Stock Exchange's tight and tested surveillance of its member firms. The procedures are an im-portant and we believe a unique protection for clients of memher firms."
In his report Professor

Gower observed that "the Exchange has not done all it might to ensure that clients' money awaiting investment is

event of the firm's insolvency. Putting the money into a "designated clients a/c" does

rules which stockbrokers could operate would not significantly increase the extent to which firms in practice segregate

than is already provided by our surveillance procedures over member firms and the compensation fund."

The Stock Exchange says that not itself achieve this result."

He urged that the Stock Exchange ahould give a lead in necessary delays in the peymaking reforms. The Stock ment to clients out of the Exchange has replied that compensation fund if a member "loosely drawn segregation firm runs into trouble." This is not so," says the Exchange. It argues that, "the speed with which the processing of the client's funds awaiting invest- change's liquidator). can be ment and would not provide any carried out is dependent on the better protection for investors state of the failed firm's books."

No Sizewell B melt-down hazard, says CEGB

BY MAURICE SAMUELSON

missed as negligible yesterday by the Central: Electricity tor core has only a one-in-lm chance each year of melting, the massibility of this Generating Board.
Its claim comes on the eve

of Monday's formal opening of the inquiry into the application to build the reactor at Sizewell, Suffolk. The study of a hypothetical

melt-down and other hazards concludes that an accident which might cause early deaths of 50 people was liable to happen only once in 400m

Mr. Roy Matthews, CEGB

buy an estate in Ireland for

honest means," caid Mr Lang-

Mr Philpott was employed at the hank he introduced Mr

Cadogan as a client. Guinness Mahor agreed to lend Mr Cado-

gan £3m on condition he put up

10 per cent of his own money.

been the problem or the reason

why it was necessary to edopt

dishonest means to try to raise

some of that 10 per cent

deposit," said Mr Langdale.

Minister seeks more EEC aid

urged in the Commons yester-day by Mr Nicholas Ridley, Shadow Chancellor, renewed the charge that the Government tions that the Government

Marketeers when he made it clear that he would welcome the Community taking over ing a wholly negative attitude.

The Financiel Secretary said

penditure if ways could be found to achieve this.

Mr Ridley argued that for the increase over the sum for the

the charge that the Government had failed in its undertaking to

reduce Britain's contribution to

the EEC Budget to a size which

for programmes now financed by national governments would help to redreas the present imbalance in the Community of the programmes of the Community of the contributions was 0.7945 and the community of the Commu

LIFE IN remote areas of Brithree-year study based on a towards exploding the myth tain may be rich in scenery and sample of Scotland's 312,000 about a cheap life in the rural fresh air but it is likely to be people—6 per cent of the popuareas of the country.

lation-living in remote areas.

to other parts of the country.

The responses from the 3,000

Interviews showed inadequate or entiquated services, sub-stan-

dard housing, limited health services, declining education facilities, severe transport prob-

lems, lack of shops, restricted choice of goods and few sports

With wages 10 per cent helow

tha Scottish average and prices

10 par cent higher, the inhabi-

tant of the remote area in Scot-

land is doubly penalised com-

pared to his urban counterpart.

The report goes a long way

outlying areas probably apply authorities, central government

That is whet appears to have

"The loans were raised by dis-

Mr Langdale said that while

MR DAVID PHILPOTT, 48. \$250,000 (£143,000) on deposit banking operations manager for at Guinness Mahon which could

Guinness Mahon, was given an be used as security.

18-month suspended sentence at About £170,000 was lent to

the Old Bailey yesterday for raising loans by dishonest repaid later. He had wanted to

THE HAZARDS of a possible couraging indeed," and showed disastrous "melt-down" at the likelihood of Sizewell B Britain's proposed first pressurised water reactor were disastrous "melt-down" at the likelihood of Sizewell B entrain's proposed first pressure at the likelihood of Sizewell B entrained water reactor were disastrous "melt-down" and showed the likelihood of Sizewell B entrained water reactor were disastrous "melt-down" at the likelihood of Sizewell B entrained water reactor were disastrous "melt-down".

and that the possibility of this causing a large uncontrolled release of radiation is 40 times less likely than that. The document will be added

to the 125 kilos of paper the CEGB Issued in May
The inquiry's formal opening
on Monday is at The Maltings,
Snape. It is expected to hegin bearings in January.

Sizewell B. planned as a £1.15hn 1.100-MW power station. is producing a recovery, and to treatth and safety director, said is seen by the CEGB as the first indicate where that recovery the report on which this esti- of a series of about five identical

on behelf of Mr . Cadogan,

arranged loens from the London

for £70,000 and £100,000.

invention."

branch of the New Nigeria Bank

The jury heard that the bank was deceived into believing Mr Cadogan had sultable collateral whereas it was "oimply an

Mr Cadogan was found guilty

Banker sentenced for dishonesty

Nissan withdrawal from car plant scheme feared

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT

AN INCONCLUSIVE meeting motor industry." between. Mr Masataka Okuma, Mr Patrick Jenkin, the Indostry Secretery, yesterdey did nothing to dispel the growing feeling in Whitehall that the Japanese group will shelve its proposal to build a car plant in Britain.

failed to reach agreement about the plant and Mr Okuma bas indicated that it is so important a project that it would go ahead only if all the directors were in favour. His trip to London this week

has been largely, a courtesy visit. There have been no convisit. There have been no contacts between the Government
and Nissan since Fehruary.

The Department of Industry
to be put on ice, both the UK

global uncertainties for the tember.

· Mr Okuma said last week that there was a difference of oplolon between bis company end the Government about the selective fioancial 'aid to be made at the Government's discretion after consideration of the potential benefit of the plant to the UR economy. It is un-The Nissan Board bas so far likely that the brief and formal meeting yesterday would have changed the position.

> Nissan is under pressure from the Japanese Ministry of Inter-national Trade and Industry (MITI) to go shead with the project, because MITI feels it would help to ease friction with

and Nissan were saying nothing and Japanese Governments last night, but Mr Okuma is would prefer that to be expected to make a statement today about the lack of progress, garet Thatcher makes her referring in particular to the official visit to Tokyo in September 1988 and Japanese Governments would prefer that to be announced well before Mrs Margerian announced well before Mrs Margerian announced well before makes her official visit to Tokyo in September 1988 and Japanese Governments would prefer that to be The action programme, finally approved in the form of a resolution in May by the Council of Ministers, se ont a stralegy within the EEC tunities in areas such as

with Mr Philpott of conspiring to procure tha execution of a valuabla security by deception. Mr Cadogan wos given a nine month suspended centence and he was ordered to pay half the prosecution costa

The judge said his was not such a grave offenca hecause he "But equally you fell in with r Philpott—maybe even ryieed this fraudulent Mr deviced In 1977 and 1978 Mr Philpott, ocheme," the judge said.

Mr Ridley discounted sugges-

increase the proportion of Bri-

tish taxpayers' money made directly available to the EEC

Commission through an increase

He emphasised that the 1 per

cent ceiling on VAT contribu-tions, which member govern-ments were obliged to allocate

Mark Meredith reports on a study of deprivation in the remote regions of Scotland

Rural areas rich in scenery but poor in services

The council plans to use its

and husinesses for improve-

recommendation is increased

government involvement and

expenditure in improving and

regulating services to the out-

lf remote areas are not to suffer further depopulation, which

will in turn aggravate the

according to the council.

Improvements are necessary

in urban areas,

lving regiono.

A commoo factor in all its

towards exploding the myth a major reason for high prices.

The council says that its find-lngs on the services in these of remote areas to lobby local services and bad timetabling. Over a quarter of the bouses

problem and the cost of moving vice and repair cars when

Scottish islands.

peat bog to school and two

others who are rowed to school

The council recommends the

Transport is the fundamental motorists co-operatives to ser- Consumer Problems in Rural

by their parants in a small boat. children.

vices, and the formation of or lose them.

In the "own resources" element

BL to stay in SMMT
BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT

Manufacturers and Traders bas to duplicate. And the Departbeen removed because the State- ment of Industry was in favour owned group has now paid its of BL remaining a memher.
annual subscription.

If BL bad dropped its mem Tension developed between

the two organisations because BL helieves that the society de-votes too much effort to the interests of the importers, and it wants to find a better way of promoting the British pert of the motor industry.

THE POSSIBILITY that BL a number of services which might quit the Society of Motor would be difficult and expensive

bership it would also have bad to give up its ploce at the Inter-national Motor Show at Birmingham, which lo organised by the oociety. This year the society is spend-

ing a record £3.4m to stage and promote the show, due to take plees at the end of October. However, the society provides with 600 exhibitors.

Jail sentence for former **British Dredging head**

Of the 26 parishes surveyed, in a highland elen is likely to

eight bave no bus service, have no water, electricity or

People complained of poor con- suitable means of rubbish dis-

services and bad timetabling. Over a quarter of the bouses Garages are closing and the surveyed lack basic amentica

cost of petrol has already such as hot and cold water, reached £2 a gallon in some bath and inside toilet.

Examples cited in the study, little choice and poor quality

include those of three children goods. On Eday, one of the

who walk five miles ocross a norhern islands in Orkney, a

Government establish minimum ment grants to improve shors levels of service for remote and a campaign to remind local

areas, better integration of ser- people to use their local shops

budget in 1973, whan Britain MR BRYAN CLARK, 50, a for- Griffiths described Mr Clerk as At the same time, he indicated joined, to 12 per cent in 1982. that there was little likelihood if the draft hudget were apof early progress along these proved, expenditure in these areas would increase to 15.3 ment yesterday—one suspended for two years—for seven offences involving theft, deceptions that the Government was likely to face early demands to tion and false accounting while at the company.

> Mr Clark, a former Lloyd's underwriter. was also fined £10,000, made subject to a f10,000, made stroject to a criminal bankrupicy order in disbonesty.
>
> respect of sums totalling f32,377, ordered to pay up to f20,000 costs, and disqualified ander the Companies Act from British Dredging in 1877, in becoming e director for the next

Crown Court, Judge Bruce employment.

mer chairman and chief execu- "a fluent and convincing liar."
the of the Cardiff-based British — He told him: "I found you to
Dredging Compeny, was oantenced to two years imprisonBeiog a chartered accountant, you were fully aware of your duty of trust yet you abused that trust hy dishonesty."

Mr Clark changed his plea to guilty on the tenth day of the trial, in which he was cherged with miking British Dredging of at least £40,000 by deliberate

competition with 387 other our yesrs.

applicants, by giving false inPassing sentence et Cardiff formation about his previous

The average attractive cottage

Prices are high; shops carry

parent would need to travel two

hours to get shoes for the

The council proposes govern-

Areas, Scottish-Consumer Coun-

cil, Glasgow, £3.00.

£10 is the amount they should consider fining offenders.

Yorkshire visit for CBI chief SIR TERENCE BECKETT,

director general of the Con-federation of British Industry. is to pay a flying visit to Yorkshire and Humberside, to bear industrialists' worries about the dire state of the Sir Terence will visit Brig-

bouse and Sheffield next Frithan 100 businessmen.

European aid for roads in Lothian

THE European Investment Bank has lent the equivalent of £10m for road construction in the Lothian region of Scot-

The loan will go towards a total of 12; mlles of road dne for completion in 1985-86 and expacted to cost about £48m.

Northern Ireland Act given Royal Assent

The Northern Ireland Acts 1982 received Royal Assent yesterday. The Act opens tha way to a new elected assembly in Ulster with provision for a gradual shift of powers from Westminster to Belfast.

Civil servants in strike warning over low pay offer hint

BY JOHN LLOYD, LABOUR EDITOR

MAJOR civil servants' union has warned that it will resiet government attempts to enforce low pay settlements in the next pay round with all-out etrike

The Society of Civil and Pub-The loss-making Wilkins lic Servants, which represents about 100,000 middle ranking and Mitebell Power Press was eivil servants, hes called for

> THE 138,000 indnotrial civil servants have been offered a pay rise of 6 per cent by the Government. Th offer, which is within existing Government cash provisions, le heing con-siderd by the unions, which

The six unions involved are: the Transport and General Workers, the General and Municipal Workers, the Union of Construction, Aliled Trades and Technicians, the Amalgamated Union of Engineering. Workers, the Amalgamted Society of Bollermakers, and th Electrical, Electronic, Teleeomunications and Plumbing

next year's Civil Service pay campaign to include the threat of sn all-out strike if - ao the Chancellor iodicated earlier this month — the Government offers zero, or very low, in-

This call will go to the next meeting of the Council of Civil Service Uoions, in

October, where it is expected to attract the support of the Clvil and Public Servants Associa-The union's executive, which

met on Thursday, also agreed that the report of the Megaw Inquiry—which is still being studied by Ministers—did "not form any basis for discussion with Government.

A report on Megaw will go to the TUC General Council on reflect general union opposition to Megaw's emphasia on hringin public sector bargaining, and to call for a system based on comparability between public

and private sector pay rates. The society ie enxious to eee public sector unions develop joint eempaigns on pay end other issues, and has pressed hard for a common rejection of the Megaw principles. While there are significant differences among the unions on Megaw.
many in the public sector—ineluding hig uoions like the
National end Locel Government Officers and the National
Union of Public Employees see it as a threat to wage levels

in the future, Mr Campbell Christie the SCPS deputy general secretary. said yesterday: "Unity among the public sector unions is vital during the next year and the in SCPS is ready to play its part."

Mr Sherman argues that the

party should consider whether any nationalisation plans be

approved while the workers in

"No British Government bas

the industry are against it.

Labour bank plan opposed

THE ONLY large banking union that it would create unemployaffiliated to the Labour Party bas come out against the party's

proposal to nationalise the four clearing banks. The plan, passed by the home policy committee last week. is to go to next Wednesday's meet-ing of the national executive committee.

The Association of Scientific Technical and Managerial Staffs, with about 80,000 members in the finatice sector, has strongly

opposed the proposal.

An article in the latest Issue of Tribune by Mr Barrie Sherman, ASTMS' research director. argues that the majority of bank workers, including its own mem-cal, thers, would be opposed to kers, nationalisation on the grounds kers.

ever nationalised a concern in this situation. Indeed, the opposite his geoerally been the case—the workers have actually initiated the Idea, and until now have embraced and welcomed the proposals and the changes." Mr Sherman says that the party must take into account

ment lo the sector.

that a new majority within the working cless consists of clerical, technical and scientific workers, rather than manual wor-

NUS plans disruptive meetings

By David Goodhart, Labour Staff

MEMBERS of the National Union of Seamen employed by European Ferries and P & O are due to call disruptive meetings from Mooday in sympathy with the strike over pay cuts by 480 Sealink employees at Harwich,

The NUS is not in dispute with European Ferries and P & O but more extensiva strike action could hit all British ferry companies after a shop stewerds meeting on Friday hears the results of the meetings.

European Ferries said no decision had been taken on whether to invoka the 1980 Employment Act egeinst the sympsthy action. The Townsend Thoresen NUS

port committee et Felixstowe yesterday urged other port committeea to call for s national ferry strike over tha Harwich dispute.
The union estimates the cuts

at 24 per cent, the company at ahout 15 per cent. The occupation of six Sealink UK ships et Harwich continues with no meetinga with local management planned.

Strike threat lifted on rig supply ships

By David Goodhart, Labour Stat

THE POSSIBILITY of industrial action hitting Britain's North Sea oil rigs was averted yesterday when 650 seamen who work on the 50 North Sea enpply ships accepted an improved pay offer of 9 per

By o majority of 112, the seamen, who belong to the National Union of Seamen, hod eorlier rejected in a hallot an 8 per cent pay offer. By e malority of one, they bad also endorsed toking industrial action against the six companies involved if the offer was not increased.

Average pay for an able seaman on the supply thips will now rise from £136 to £150 a

Meanwhile, 600 North Sea catering workers have received an improved offer of 8 per cent, which they are expected to accept, from the Catering Off-shore Trade Assoclation.

A strike bod heen plonned for earlier this month after a 6 per cent offer was rejected.

Bid to agree finance for construction industry pact BY IVO DAWNAY, LABOUR STAFF

AN ATTEMPT to end long from a decline in orders. The

ment for the Engineering Construction Industry is to be made on Monday.

The National Joint Council for the Engineering Construc-tion Industry, the body of employers and unions which oversees the agreement, bas failed to concul with its permanent secretariat on how much money is needed to cover wages and office administration costs. The two principal employers' organisations—the Engineering fallen from about 18,000 Employers' Federation and the 16,000 over the past year. Oil and Chemical Plant Con-

understood to be seeking about regulate its enforcement.

Failure to reach a settlement of the egreement has itself of the problem could underwhich was signed in September last year, in a bid to end yeara of industrial relations problems, principally on large aites and sophisticated engineering pro-

The employers' bodies are

wrangles over the level of unions have made clear that finance for the National Agree- they ere not prepared to make a financial contribution. Optiona likely to be reviewed

includa levies on companies, based on the number of employees on sites where the agreement is in force. However, some companies claim that the fund-raising should he spread more hroadly across the industry.

The number of operatives within the scope of the agreement is now helieved to have fallen from about 18,000 to The secretariat argues that

structors' Association—believe the complexity of the agreement that about £280,000 a year requires, and its provisions should suffice. But officials at mean, that substantial sums the NJC's London office are will be required to monitor and Uncertainty over the future

contributed to staff problems. A nine the national agreement, full-time director and a permanent eccretary for the National Joint Council have yet to be appointed The unions have suggested

that finance could be found by setting up a holiday henefits scheme for operatives and using anxious to minimisa the cost to the interest. However, emtheir memher companies, which ployers believe that tax liabiliare already under pressure ties rule that out.

Tinancial Times Catandan July 34 1023.

Perhaps judging that the next cut in bank base rates can be left to itself (next week barring accidents) the authorities have left off giving helpful nudges to the money market. Despite this, and the issue of two £300m taplets mid-week, gilt-edgod have kept on rising, the FT Government Securities Index in pre-tax profits from £18.7m finishing 2 por cent higher on another 1982 high.

Equities did their best to jump on the coat-tails of a January's rights issue. The booming gilts market. In the attempt to catch up, the FT 30 Share Index jumped nearly 20 points in the first two days Davy McKee, broadly offsetting of the new account, only to a leanor run from UK-based speed the rest of the week contracting. And losses in the adjusting to life near the 570 contour.

constituents of this index are showing definite signs of strain-notably John Brown, with poor figures, and Turner Newall, with employerliability hanging over its balanco shoot. But ofhors, ospecially those like Boots and with comparatively markets, remained

Doubting Davy

Davy Corporation, for so long an unabashed bull of almost all its markets, bas now embraced revisod conceptual approach," emphasising instead the uncertain state of demand, particularly in the U.S., and a

plant contractors In the year to March, Davy rights issue hae equipped Davy

F.T. Govt. Secs. Index

F.T. Ind. Ord. Index

F.T. Gold Mines Index

Barratt Developments

Allied Colloids

Berkeley Expln.

Bibby (J.)

British Land

Brown (John)

Bulmer (H. P.)

Change Wares

Clive Discount

Plessey

Vinten

Whitbread A

Long and Hambly

South African Land

MARKET HIGHLIGHTS OF THE WEEK

72.66

578.2

252.8

269

294

147

295

481

545

85

35

527

213

79

+ 1.47

+21.5

+27.8

+24

+19

--- 28

+40

+ 9

+ 31

+27

+67

LONDON ONLOOKER

could at least show an increaso to £20.4m and carry through the 10 per cent dividond incroaso with which it had lubricated group was still seeing worth-(if currency-aided) growth from oversoas parts of relatively small UK manufac-turing division were eliminated.

Bot it looks as if the main reason for Davy's changed philosophy is moch harder going in the market-place. Important parts of the group are going seriously underemployed. Work in hand is slightly ahead as a whole, but in the U.S. and Germany the current workload is alroady slipping and the forward load there is down hy a third, within a static overail

At the turn of the yoar Dsvy was already finding it hard to land contracts io tha non-ferrous metals industries. Now conventional potrochemical plant has become a drug on the market, and synfuol projects seem to be on the historical sholf. Though much maligned, tho

High

72.60

594.0

302.0

269

303

369

295

94

88

545

190

33

35

10

213

79

308

126

61.89

518.7

191.2

210

196

147

70}

47

92

priate to its volumn of work. Even now, net worth of £87m has to support a business with current assets in excess of £1ba. but over £20m of loans—mainly dollar-denominated—have been repaid, and £31m of goodwill written off, so although it is still misleading to look on Davy as bulging with cash, the balance sheet is a lot more solid.

Babcock's duck

Not many ugly lame ducks turn into profitable swans these days but Babcock International has strong hopes for its lossmaking construction equipment businesses, which it agroed this week to sell to the fast-growing German construction machinory group, IBH Holding, for about

Indoed, Babcock is sufficiently confident to have invested DM 82m (£19.3m) in a 10.09 per cent equity stake in IBH. The engineering group's reasoning is that it has a better chance of recovering its investment in construction equipment through a stake io IBH than through trying to recover on its

Certainly, the past three years have been extremly difficult for have been extremely difficult for make mainly pavers, concrete mixers and road graders. Their trading profits fell from £2.2m in 1979 to £1.8m in 1980 and then, despite economy measures, they suffered a pre-interest loss of £0.1m last year. Interest

Trend to cheaper_money

Trend to lower int. rates

Gold price advance

Good annual results

Institutional support

£4.76m rights Issue

Annual results

Gloomy outlook

Still on good results

Publicity about Ashestosis

Awalting acquisition news

Tarmac take 75% stake

Gold firm/good int. div.

Expected board changes

Institutional support

*Term sbares

Firm gilts/interest rate hopes

Disappointing 2nd-half results

Investment demand/stock shortage

Selective investment demand

U.S. acquisition/int. figs. Aug. 4

charges added another £2.6m to the group's burden from

Babcock is making more manning and capacity cuts this year and is forecasting further substantial lossos. So the directors were understandably receptive when the German chairman of IBH, Herr Horst Dieter Esch, approached them with an offer. Esch founded IBH in 1975 and has built it, up to the world's third largest construction equipment group after Caterpillar of the U.S. and Komatsu of Japan.

Babcock agreed with Esch that more and more equipment orders woro going to companies that could provide a full range of equipment.

IBH, with a strong international distribution network

and a wide product range,

offered a promising way out. With this deal, £20m of debt comes off our balance sheet, Mr Brian Knightloy, finance director of Babcock, said. "On our own, we would never have the opportunity to recover it. They (IBH) intend to seek a quotation for their shares in a couple of years so we could begin to realise on our investment then if we wished."

Rothmans' rise

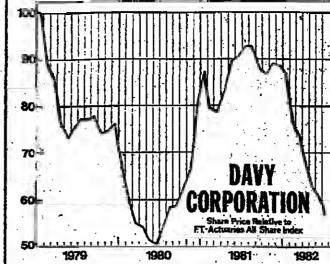
A sharp acceleration in Rothmans International's closing six months has produced the tho looking for. Pre-tax profits in the year to March came out at £105m against £71m. schievement at the top end of expectations though arguably the share price would not have been able to stand up to any-

Just a few pence short of a pound, the shares are now two and a half times the low point of last year and with a yield of 61 per cent after this week's dividend rise of a fifth and fully-taxed earnings multiple of getting on for eight, Rothmans overvalued on fundamentals.

What is underpinning the

price is the bope of some bid play by Philip Morris of the U.S. Last year Dr Anton Rupert's South African Rembrandt Group sold half of its Rothmans to Morris for \$350m. A deal which could-shouldered R. J. Reynolds, America's cigarette company, hose furious management had expected to buy Rembrandt's holding and launch a full bid for Rothmans.

However, any further action ingly remote. Merris' attention is probably focused nearer.

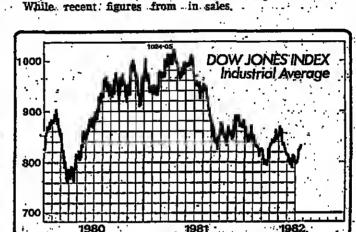


home and with debt to sharemanufacturers of furniture holders' funds of one to ono the company is unlikely to be in any appointing to the horrific, MFI hurry to make a move. Likewise Rembrandt bas no obvioue with a 28 per cent rise in pre-tax profits to £15m—has reasons to upset the status quo dono its best to show that it less of a strugglo selling whilo Reynolds can do little but The main theme of Rothmans furniture to the man in the figures has been the quito estate car.

stunning improvement in UK MFI is an arch exponent of profitability with a sharp recovery in domestic cigarette pile it high and sell it cheap" This makes it all the more profits thanks to reduced proastonishing that its improve-ment in profits was achieved motional costs and improved market share coupled to a against the background of a 12. strong export performance, per cent decline in sales Currency movements also massaged the pre-tax level upwards It is conceivable that the

adding £10m for the year against a negative impact of astonishment was not confined thoso outside the flat-pack £15m in the previous 12 months. boardroom of MFI. As January And this year? Conditions in snows piled up around the warehouse, chairman Arthur the UK market are tough and thore are signs that a price war Soothon said that be only boped that there would be no tobacco giants before very long. Nevertheloss, the City is look-ing for further growth from cut in the final dividend. In the event, it has been given a 12 per cent bike. Rothmans, though at a much The key to MFT's success? In moro muted level-perhaps a

word, efficiency. Installstion 10 per cent advance assuming of the olectronic goint of sales nothing dramatic on currency front system has psved the way for substantial cuts in labour costs. As a result the profit and loss Pack it flat ... shows little sign of the decline



Market dithers

NEW YORK

PAUL RETTS -

THE PRIME rate finally came down and so did the discount rate. GNP in the second quarter grew by 1.7 per cent. Mr Paul Volcker told Congress he would he more flexible about monetary policy without, however, changing his basic goals. And the oracle himself, Dr Henry Kaufman of Salomon Bros, softened his well-known bearish forecast to say that short-term rates, at least in the near future, could come down a little bit more.

But for all this good news in sharp contrast to all the bad economic news the previous week, the market failed to rally dithering whether to move up or down. The fact is that Wall Street continues to look to the future with deep uncertainty. It does not believe that the recovery, which is supposed to have started according to the Reagan Administration, will be

strong and sustained. There are doubts, too, that interest rates especially at the long end of the market wall come down to the levels necessary to relieve the pressures on country's corporate treasuries. Dr Kauiman, for example, while now predicting

rebound again by the early part of next year to new highs. Postponing any decision the future course of the economy, the market turned its attention on the deluge second quarter and first half

lower short rates in the near

term, expects interest rates to

corporate earnings results. The focus was clearly on the banks, espeically Chase Man-hattan and Continental Illinois currently in the eye of the storm. Chase, caught up in both the Drysdale Government Securities and the Penn Square flascos, has been trading at its 12 month low. But after it reported its first ever quarterly loss, the stock perked up gain-ing 21 points on the day of the announcement to close at 361. The bank had a \$16m loss in the second quarter as a result of a special after tax less of \$117m from the Drysdale affair. And although Chase bought \$212m worth of loans from the

Square problem leans were set against the bank's sungle reserve for loan losses and hence did not directly impact on the earnings figure: Embarrassing as this loss was for the big bank, it was far less than interpreted and the stock rallied

But Conlinental Illinois' first ever quarterly loss was far less well received by the market. The large Chicago bank, the biggest casualty of the Penn Square collapse, reported a second quarter loss of about \$60m. The stock did rise a fraction after the second quarter results were announced but she increase seemed to reflect the improved short term interest rate outlook rather than reaction to the quarterly figures. Indeed bank industry analysis said the loss was not only substantial but that Continental Illinois quarterly report showed a market deterioration above and beyond the impact of the Penn Source. The bank's loan loss provision and non perform ing loans rose very shamplyl.

For its part, Citicorp turned in a strong performance in the second quarter in contrast to Chase, Last year, however, it was Citicorp which was strugging while Chase, under new management, seemed poised to enter a new, happier era with its slogan "The Chase is on." But even with iCticorp now making a come back of sorts investors are showing ne reluctance to jump back into bank stocks.

The major oil companies also started reporting their latest earnings. As expected they were pretty dreadful. Exxon was down more than 50 per cent in the second quarter, Texaco was down 45 per cent, Standard Indiana was also down by 31 per cent, and Sohio bad a more modest decline in second period earnings of only per cent. The other major U.S. oil companies are also expected to report disappointing results in the next few days.

As for Wall Street's returnfrom the dead department, Chrysler reported a \$107m second quarter profit. The stock of the Airto maker rose to the \$8 leyel. It has been as low as \$3 since the crisis started in 1979. Pan Am, another Wall of \$56m in the latest period.

\$117m from the Drysdale affair. MONDAY	#26.10 2.57
And although Chase bought TUESDAY	833.43 +7.33
\$212m worth of loans from the WEDNESDAY	832.19 -1.24
now failed Penn Square Bank THURSDAY	832.00 0.19
of Oklahoma City, the \$45m	

Driefontein comes into the list

of the East and West Driefon-

tein mines.

BUILDING SOCIETY

rate accounts shares

	rate	accounts			Term spares
	%	%	%		%
Abbey National	8.50	8.75	10.00	10.25	1-year high option, 10.75 9 years sixty plus, 9.25-10.75 1-5 years
		4.00			open bondshares
Aid to Thrift	9.55	9.80			
Alliance	8.50	8.75	10.50		5 y., 10.25 4 y., 10.25 £500 min. 2 m. not. or £100+60 d. int. pen.
Anglia	8.50	9.75	10.00	10.75	9 y., 3 m. not., 3 y., 2 m. not. 10.25, 1 mth.'s not. all int. loss
Birmingham and Bridgwater	8.50	8.75	10.25	10.75	5 years, 9.85 21 years
Bradford and Bingley	9.25	8.75	10.00	9.75	1 month's notice
Bristol Ecocomic	8.50	9.75	10.00	9.50	3 mooths' notice and 9.75 on balances of £10,000 and over. Escalator shs. 9.25-10.75 (1-5 y.)
Britannia	9.50	9.75	10.00	10.75	5 y. optico bond, 10.00 2 m. not.
Burnley	S.50	8.75	10.00	10.75	5 yrs., 3 mth. oot.; 9.75 1 m. not.
Cardiff	8.50	19.25	10.25	9.50	oo bal.: £3,000-10,000, ‡ to £3,000
Cardiff		10.00	_	_	£10,000 and over
Catholic	10.00	9.00	10.00		oo share balances of £5,001+
Cholsea	S.50	S.75	10.00		3 yrs., 90 dys.' not on amt wdn.
Cheltenham and Gloucester	8.50	8.75	10.00		
Cheltenham and Gloucester	_	9.75	_		Gold Account. Savings of £1,000 or more (8.75 otherwise)
Citizens Regoncy	9.50	9.00	10.25	10.75	5 y., 10.05 3 m. not./1 m. ict. l'ss
City of London (Tho)	8.75	9.10	10.25	10.25	Cap Cit shs-4 mths' notno pen
Covenity Ecocomic	8.50	S.75	10.25	10.50	4 yrs., 10.25 3 yrs., 10.00 3 mths.
Dorbyshire	8.50	8.75	10.00	9.25	-9.85 (3 months' notice)
Ealiog and Acton	8.50	9.25	_	9.90	2 yrs., £2,000 min.
Gsteway	8.50	9.75	10.00	10.75	5 years
Gaicway	_	9.75	_	_	Plus a/c £500 min. Int. 1-yearly
Guardian	8.50	9.00	_	10.75	6 mth., 10.25 3 mth., £1,000 min.
Halifax	9.50	8.75	10.00		5 yrs., 3 mth.'s wdl. notice
Heart of England	8.50	8.75	10.50	_	3 mths.' notice 9.75, 5 yrs. 10.75
Hearts of Oak and Enfield	8.50	9.00	10.50		5 yrs., 10.25 6 mth., 10.00 4 mth.
Hendon	9.00	9.75	-		9 mths., 10.25 3 mths.
Lambeth	8.50	9.00	10.50		5 yrs., 10.75 8 months' notice
Leamiogton Spa	9.60	8.85	11.93		1 year
Leeds and Holbeck	8.50	8.75	10.50		5 yrs., 9.75 1 mth. int. penalty
Lecds Permanent	8.50	8.75	10.00		3 yrs., E.I. a/c £500 min. 9.75
Leicester	8.50	8.75	10.00		5 yrs., 10.25 4 yrs., 9.75 3 mths.
Loodoo Grosvenor	8.00	9.25	11.00		3 mths. notice 1 mth. int. pen.
Midsbires	8.50	8.75	10.00	10.25	1 year
Mornington	9.30	9.80	_	_	
National Counties	8.75	9.05	10.05	9.75	35 days' notice min. dep. £500, 10.15 6 mths.' min. dep. £500
Nationwide	9.50	8.75	10.00	10.75	5 yrs., £500 min. 90 days' notice. Bonus a/c 9.75 £1,000 min., 28 days' notice
Newcastle	8.50	8.75	· 10.00	10.75	4 yrs., 9.75 28 days' notice, or on demand 28 days' int. penalty
New Cross	9.25	9.50	_		10.00 on share accs., depending on min. balance over 6 months
Northorn Rock	8.50	8.75	10.00		5 yrs., 10.25 4 yrs., 9.75 3 yrs.
Norwich	8.50	8.75	10.25	9.75	3 yrs., 9.50 2 yrs.
Paddington	8.25	9.25	10.75		Loss 1 month int. nn sums wdn.
Peckham Mutual	9.25	9.50			2 y., 10.5 3 y., 11.0 4 y., 9.75 Bus.
Portsmouth	8.85	9.05	10.55		(5 yrs.) to 10.50 (6 mths.)
Property Owners	8.75	9.25	10.75		4 yrs., 10.75 6 mth., 10.25 3 mth.
Provincial	8.50	8.75	10.00		3 yrs., 9.75 1 month
Elosinos	0.50	0.10			2 manths' notice let non

Bradford and West Yorkshire days' penalty interest *Rates normally variable in line with changes in ordinary share rates. All these rates are after basic rata tax liability has been settled on behalf of the investor.

8.75

2.75

9.00

9.25

8.75

9.80

8.75

8.50

10.00

10.00

11.25

10.75

10.00

10.00

10.00

11.00 3 months' notice int. pon.

9.85-10.00 28 days' interest penalty

10.00 2 yrs. (early withdrawal option)

11.00 5 yr., 10.75 3 yr. 60 d. wdl. not.,

10.75 90 days (int. loss), 9.75 immed.

10.25 5 yrs., 10.25 4 yrs., 9.75 3 yrs.,

10 2 mth. not./28 days' int. loss

access (int. loss) or 28 dys.' not.

9.25 2 yrs., 10.00 Goldon key 28

9.50-10.75 all with special options

Scarborough

Sussex County

Sussex Mutual

Town and Country

Yorkshire

formerly Huddersfield &

So far, so good, in the gold market

THAT SLIGHT parting of the sinisterly in the background, American Corporation - which and large, profits have made a Declarant and Stilfontein The metal has put on a further create, some uneasiness about \$18 to \$363 per ounce, having paper ourrencies. touched \$369 at one tima, while the gold mines share index has

risen 27.8 to 252.8. No new factors appear to have still owes much to the easing

Blyvooruitzicht8

Buffelsfootein\$

Doornfootein

Driefontein

Durban Deep

Ergo
East Rand Pty
East Transvari

Grootviel

LesileLibanon

President Brands

President Steyns

Randfontein

Stilfontein

Vaal Reefs

Village Main

West Rand Consold ...

Western Areas

Western Holdings§ ...

June Dec 1982 1981

*260 100 *80

oth African Land ...

Hartebeest&

Loraine

Venterspost

Western Deep

Driefont

GOLD MINE NET PROFITS

3,888 12,450

23,904 4,913

45.032

recent South African budget. Includes Reisa.

1981 1980

*****310

52

*130

400 *πī

--*85

*50 *13

* Loss. † After receipt of State aid. ‡ Includes Welkom, FS

Saziplass and Erfdeel operations. § March quarter tax charge

contains retrospective payments for the respective current financial

GOLD MINE DIVIDENDS

†St. Helena

5 SA Land

S'thvaal

Vaal Rfs.

Yenters.

Visident

W. Areas

W. Deep W. R. Crs.

years relating to the increase in gold mine tax announced in the

March

13.824

1,222 12,799 2,684 11,156 76,495 2,566 13,354

*6,791 1,163 *429 36,189 4,043 21,723 11,998

11,998 6,927 28,138 1,522 11,190 13,012 157 27,486 19,661

29,810

23,518 1,457 6,433 6,024

54,795 †3,170 *42

and gold shares are concerned. industry, both of which can been broken.

It will take a while longer before we can be reasonably this imbalance between supply and thus the fall in the dollar sure that gold has broken out of its long bear market. Mr emerged in the recovery which Harry Oppenheimer has said this week in his last annual in interest rates. Lurking statement as chairman of Anglo

2,278
27,304
4,281
15,995
81,808
8,446
12,627
78,807
72,255
2,965
36,943
24,902
28,057
82,968
1,797
12,880
12,564
12,925
14,621
14,621
14,621
14,523
93,696
12,579
255
12,925

61,416

±37.625 11,640

December September

2,964 26,385

4,086 10,946 79,534

7,950 16,223 +6,780 1,917 2,684

4,792 23,107 27,560

931,848 1,884 11,231 14,617

†2,410 348

June 1981.

+350

*15

+130

*450 135

10

1980

- 450

1981

145

205 10

*35

+120 *100 *350 55 20

*135

*nil

275

week, at least as far as gold problems of the banking that the downward trend has the South African rand against for the quarter which has arisen decline in new supplies of gold have enjoyed a favourable to the market he has added that exchange rate for their sales

> become more pronounced. suggesting that a change in the away." There are thus grounds for cautious optimism for holders of gold shares.

Unfortunately those in the big but low grade Western. Areas have little to get excited about Faced last quarter with the prospect of beavy losses if the price continued to decline the mino adopted a survival tactic of selling forward the major portion of its expected gold production for the nex

12 months. Western Areas will not say what price was received for these forward sales but presumably it will bave been some where in the market range of between \$300 and \$365 which obtained in the period. At all ovents, the price would be unlikely to provide much in the way of profits and the chances of the mine resuming dividends in the near future are poor.

The irony of the situation is that if gold bas at last embarked on a rising trend if will do no good to Western Areas which has, of course, aiready sold its production. To a lesser degree this also applies to Bracken Mines and Marievale which bave also made such hedging sales of an unspecified part of their near term gold output.

Marginal mines such as these may not have had much choice to do otherwise. The fact remsins, bowever, that gold mining shares rank as higher risk investments bought in the bope of high reward. Remove that hope and you are left with a very dull share indeed which can only appeal to the longterm investor and that is not wbat high-risk capital is all

Meanwhile, the season of June quarter reports from the South African gold mines has been completed this week. By

clouds we were talking about may be a fear of returning was dated July 9—that there is satisfactory showing. last Saturday has continued this inflation and concern about the no convincing evidence as yet Because of the weakness of thanks to a big reduction in tax

the U.S. dollar, in terms of as a result of last year's menger But noting the continuing which gold is sold the mines and demand "is likely to price has not greatly affected their revenue.

Then too many of them price trend may not be far have been able to raise production, often by mining more of tho better grade ore, and operating costs bave been pretty well, bold in cbeck. Wages account for about half the total costs and the recent wage rises

> MINING KENNETH MARSTON

will now be increasing costs by about 5 per cent. The leading producer, Vaai

Reefs, has onjoyed its best production quarter on record and at the same time has reduced working costs. The young Elandsrand has made a good recovery after the production problems which have cast down earlier bopee and its June quarter profit is the best since the Septomber quarter of 1980. Furthermore, the mine has upgraded its production target for the year.

Others to do well have included Western Deep, Buffels-

Diamond Day Down at Ascot racecourse this morning the sceno is being set for another Diamond Day. I shall be there among the hundreds of other bopefuls trying to forecast the winner of the big race, the highly prized King

George VI and Queen Elizabeth Diamond Stakes which is sponsored by De Beers. A much wider gathering is trying to forecast an even bigger event, the ending of the worst recession in the diamond industry since the 1930s. It still continues, as Mr Harry Oppenheimer has pointed out this week. But he has also given the industry a touch of encour-

agement He has pointed to "grounds for confidence that the special reasons for the recession in the diamond industry are being ovorcome and that an improvement in the world economy, and in particular in business conditions in the United States, will be reflected in improved sales."

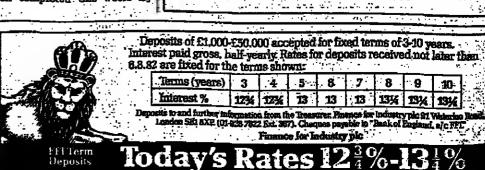
Still many difficult furlongs for the industry to run yet, therefore, but it should Assert itself in the end-as the racegoers might be saying today. At the same time, there is also an outside chance of a Glint of Gold if what the bullion price Hartebeestiontein, is saying proves to be correct.

Application of the second of t

BUILDING SOCIETY RATES

Every Saturday the Financial Times publishes a table giving details of Building Society Rates on offer to the public.

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YOUR SAVINGS AND INVESTMENTS-1

Eric Short examines the latest offer this week from National Savings

Watch out for the penalty

of two major improvements in National Savings — a doubling of the maximum holding of Granny Bonds to £10,000 and a new monthly income bonddid not come entirely as a

The policy of this Government has been to give, National Savings a much greater role its funding requirements. This financial year's target for National Savings is £3bn. following last year's target of £4hn, which are substantial sums by any standards.

Whereas the £4bn target for 1961-82 was comfortably ex-ceeded, however, the money this year is coming in at less than half the required rate. The Treasury had to do something. and do it quick, if there was any tope of reaching f3bn.

The Treasury used up most of the ammunition in its locker

last year by encouraging savers to invest sufficiently to raise £4bn. The Index linked National Savings certificates, still known as Granny Bonds, even though they are now available to everyone, have always been attractive, because of the index-linking. The inflow from this source was progressively boosted as the Government lowered (and eventually abolished) the age-limit and increased the maxi-

Now it can only boost the attractions of "Grannies" by increasing the limit again and this it bas predictably done by doubling the holding as from Monday from £5,000 to £10,000—

the lergest ever increase. While such moves encouraged savers in times of double figure inflation, recent signs are that inflation will remain in single figures for some time. Grannies have therefore lost some of their

The launch of the new income new income bonds.

MINITE

COMPARISON OF RETURNS O			
7.	Nil	. 30%	Withdrawal
	Tax	Tax	period
Nat. Savings Income Bonds	%	%	no penalty
Nac. Savings Inv. Acct.	13.50	9.45	6 months
Building Soc. Term Share	13.00(a)	9.10(2)	.1 month
Building Soc. Income Bond	9.75	9.75	1 month
Banks deposit acct.	10.25	10.75	1 month
Nat West Income scheme	7.00	6.30	1 week
Life Co. Guar. Inc Bond (b)	12.00	8.40	month
4 years	. 10.00(a)	10.00(e)	no
5 years	10.20(a)	10.20(2)	withdrawai

bond, meanwhile, was no bolt from the blue. Many investors need income and until now in the National Savings product range. The British savings bond disappeared in 1979, leav-

ing only the British Savings savers seeking income. But if the launch did not come as a surprise, the form of the bond certainly did.

The bond has a life of 10 years with interest paid gross on the 5th of each month, payment heing either by cheque through the post or directly into a bank account. The capital is repaid in full at the death within the period. There is no revaluation for inflation.

The present interest rate is 131 per cent a year gross, and the Treasury can vary the rate at six weeks notice. Interest is the monthly payment will be the total of all the daily payments in that month. Fehruary will get 28 days in-terest and March 31 days. There will be adjustments in a leap

The Treasury, meanwhile, has taken steps to discourage savers from moving in and out of these

Interest paid monthly unless (a) when paid and interest rate varied unless (b) when fixed Investors can give either

three months or six months notice of withdrawal of encash-

ment before the 10-year period

During the first year following purchase of the bond no interest is earned if three months notice is given while only half the interest is earned with six months' notice. This presumably means that interest already paid will be clawed back from the capital repaid.

Once bonds have been held for a full year, there are no penalties if six months' notice s given, while on three months' notice no interest is paid during the period of notice.

How. do these income bonds compare with other comparable forms of income savings conreturn on the bond for nil and hasic rate taxpayers and lists the returns on some other

Current returns show that this new bond is very attractive to anyone, who does not pay tax. Yet the Treasury has set its sights much higher. The minimum investment is £5,000 and rises in multiples of £1,000 to £200,000. For basic rate taxpayers the return can be Lancs FY3 9YPO) bettered by current building Teledata (01 200 0200).

society schemes. IIt should be pointed ont that no adjustment has been made in the table to the yields for the frequency of

The Treasury attitude changing interest rates on the National Savings Bank Invest-ment account has been described as slow and sticky, in frequently and long after the market levels have moved. Interest rates have been

falling recently and the building societies, who react more ickly, are under pressure to hring down mortgage rates in line with this recent movement. This in turn, will mean lower interest rates for investors.

Investors should not judge the bond solely on yield. There are severe penalties for early encashment, much more severe than building societies or banks, where the normal is no penalty with one month's notice. Investors in the new bond will not have ready access to their money and should remember this in any decisions.

Finally, the National Savings Department has not made it easy or simple to purchase the honds. Application has to he made direct to the Bonds and Office in Blackpool, though the application forms with a post paid addressed envelope. And the Post Office is having distribution problems.

The Bond is available from Monday August 2, but the pros-pectus and application forms may not be in the Post Offices until the following Monday August 9. So in the intervening week, interested savers either have to contact the boods office direct (address Bonds and Lancs FY3 9YPO) or ring

When buying 'gems' is crazy

thing, now that the bottom has dropped out of the diamond market. Times have never been bester for buying gems."

The speaker is sitting next to you on an aircraft. He opens his briefcase and draws out beautiful roughout rubies which he says are from Thailand. You know something about gems and decide these look like the genuine article. Then he quotes you a price which you know is 30 per cent below the best prices you had been quoted in London.

H you buy, you'd be no more foolish than hundreds of gem enthusiasts, including dealers, who have unknowingly hought one of the astonishingly bighquality synthetic gem stones which have been flooding into showrooms and hrief cases around the world.

In emeralds, the Gilsom stone from France and the Chatham from America are so near to emeralds that only a trained specialist can spot the fake. The relatively new Rashan ruby, made by a com-pany hased in Texas, has almost the exact physical and optical properties of the Burmese ruhy. complete with inclusions (flaws) which only the experienced eye will notice are slightly out of kilter.

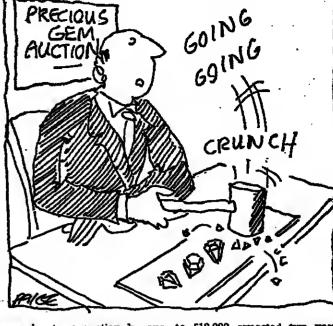
The increased number and

"EMERALDS, rubles, samphires. quality of synthetics means that lt's a huyer's market for every-buying rubles in Thailand or sapphires in Brazil is an even to be. Mr Jean-Francois Moversoen, editor of Gemstone Price Report and part-time consultant to Christie's, says that buying gems is a "completely crazy idea" for travellers. "It's almost always a rip-off," be says.

When be has valued the stones which clients brought back from ahroad, be says they were usually "over-priced or syn-

But there is nothing synthetic about the aick state of the gematone market. Prices continne to weaken on the back of the collapse of the diamond market. So, should you be inclined to decorate the fingers and neck-line of the one you love, now would be a good time to shop for a hargain.

A one carat Thai ruby, for instance is now selling at around \$8,000, down from \$14,000 about two years ago. In sapphires, a two carat stone costs about \$2,600 per carat, against a peak price of \$4,000 a carat in 1980. A one carat top-quality Columbian emerald is now about \$6,000 compared to \$8,000 at its peak. Natural pearls are holding their value. not the least because of the Princess of Wales' preference for them.



well-known auction In most cases, discounts of up to 30 and sometimes 50 per cent can be had compared to retail prices. The auction prices are VAT-free and of course, stripped of the retailer's mark-up. "Auctioneers generally take a 10 per cent commission.

Mr Peter Beaumont, the jewellery director at Phillips, a London auction house, said last month his company anctioned off a four carat blue diamond for £22,000. Exactly two years earlier. Phillips had sold the same stone to an American for £40,000. A five carat emerald, he said, went for £7,000 which

gems is at an auction by one to £12,000 expected two years

interested buyers to approach an auction house before the sale interests and the best use of their funds. He cautions that will recover and acknowledges

bc.

that they may well go lower.
"Still, it is our feeling that
there will always be money and interest in gems. If the whole free world economy collapses, you can put these stones in your pocket and run for your life." Or perhaps in less dire circumstances, they will help you to sparkle at the next

Carla Rapoport

Don't worry, you are not alone

struggling to keep up with inflation, take heart; you are has been settling down at a of comfort to those long not alone. The regular sixmonthly update by stockbrokers de Zoete and Bevan of their long-term study of stock market prices and inflation shows that in real terms share prices are going nowhere very much.

It is true that in the six months to the beginning of July the de Zoete and Bevan equity price index, adjusted for the cost of living, edged np from 148 td 152. But this still repre-sented a decline from a level of 154 on July I 1981. (These figures, incidentally, are hased on January 1 1919=100.)

Inflation may have been slowing down in recent months, de Zoete's cost-of-living index showing a modest rise in January-June 1982 from 12.5 to 13.1 times the 1919 level. But the equity price index has been unexciting, too.

Looking at the period since the late 1960s, it can be seen

level only half or a third as great as was taken for granted In the closing years of the postwar stock market boom.

In the late 1960s and early 1970s the inflation-adjusted lndex was almost always above 300, and sometimes hovered near 500. Then it tumbled to under 100 in the disastrous 1974 stock market slide. The recovery was swift but only partial-the current level of around 150 ls fairly typical of the post-1975

However, the overall returns from holding shares have not. too had in the past few While share prices have roughly beld their own in real terms, there bas also been a usually of between 5 and 7 per cent. That is a good bit more than can be earned on Granny Bonds, though of course there is a considerable risk in holding

that in recent years the infla-tion-adjusted ahare price index study brings a modest degree holders of gilt-edged securities.

The brokers' Consols Index, based on the prices of undated gilts, showed a rare improvement in the first six months of 1982. The Index rose from 30.9

> That gain bas done little, bowever, to offset the devastation suffered by bolders of gilt-edged through inflation over the years. Taking 1919 again as 100, the inflation-adjusted index between January and July improved only from 2.5 to 2.6. (Yes, the decimal point is in the right place: two point

> > Income is a very important factor with gilts; of course, and a far steadier real performance has been achieved by the notional de Zoste Gitt Fund, which is hased upon January 1963=100 with gross income

Adjusted for the cost of living, the value of this fund slumped to around 50 in 1975, but has stabilised since then because gross interest payments have roughly compensated for the erosion of the capital value by inflation,

That is all very well for a pension fund which is exempt from income tax, but the private investor bas been taxed on illusory increases in paper wealth which has made gilts a bad investment for him even in the years since 1975.

In the first half of 1982, however, even the private investor has been making money out of As for the non-taxpayin investor, according to figures given for the de Zoete Gilt Fund he enjoyed growth in nominal terms of 18 per cent, which boils down to a atill reasonable 12 per cent after adjustment for the increase in the cost of living.

Barry Riley

High prices for some farm land

IN SPITE of the record price latter would be a much better which seem to be satisfied with attempting to change by bringthe latest EEC Review, farmland values are still on the plateau they reached about two years ago and while some agents report a new surge of buying interest, this is highly selective and does not match the increasing number of farms and estates which are on offer this summer. There are reports of a number of properties that fail ing the whole farm would be to sell at auction, and the beyond their means. Some very prices vary quite enormously according to the grade of land and the situation.

For instance a farm with grade two and three land within reach of London, will make as much as a grade one farm in bracing, some would call it Let farms and estates are still This is something the bleak, East Anglia, although the favoured by some institutions National Farmers Union is

increase awarded to farmers in farming proposition. The institutions do not seem to be such eager huyers as they were a few years ago and it is possible that they, and some would consider selling to cash their profit, now that the spring seems to bave left the market. A feature of the situation is

the competition among farmers for parcels of land where buyhigh prices have been made in this way, with up to £2,500 and even more being made an acre for a 50-acre block, where a farm sold as a whole might not reach that level by several bundred pounds an acre.

a return of around 5 per cent. Rents bave risen substantially over the last few years but are unlikely to achieve the same rate of progress in the future. All the same rents are highly variable and there are some properties which could earn larger change of owners and land

Rents are determined in many cases by competitive tenders for one of the few farms to let. Once the result of one of these ls known It becomes the criterion for setting levels In a whole district, and uoder present legislation farmers bave little chance of resisting similar

ing the productive efficiency of the holding into the calcula-

It is difficult to justify any marked increase in land prices over the next few years. At £1.500 to £2.000 an acre for ordinary arable farms they seem to be too high for present returns. But on the other hand it is doubtful if they will fall significantly either,

countries in Europe, indeed in the world, where there are no restrictions on land purchase by nationals or foreigners. Now that both gold and diamonds have lost their glitter as inflation bedges, what Is there left?

John Cherrington

You've got a young family, a big mortgage and you're paying a fortune in taxes.

The way things are, it'll be a lifetime before you can afford to enjoy the life you really want to lead.

And as far as you're concerned that's a lifetime too

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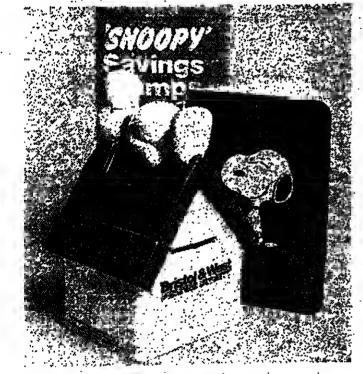
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Snoopy's lure

regarded as having vast tion asleep on lop. Or they amounts of money awaiting can huy 50p Snoopy savings investment. The main savings thrust come from the over 45s when family responsibilities usually dimunish and there is left over for investment. Yet the competition between various banks and building societies to attract children's savinga accounts is hotting up-

message across. The Chelsea compensate for interest being Building Society has launched added once instead of twice a its Chelsea Kids' Scheme. This follows moves from Abbey National with its Mickey Mouse Scheme and Cheltenham and Gloucester using the Children's character, Paddington But thia week Bristol and West scooped the pool for imaginative ideas with its Snoopy Savings Scheme.

in the Peanuts cartoon is pos-sibly the most famous of all to attract the attention of children as no other gimmick could. Children can save their

CHILDREN are not normally Snoopy in his favourite posistamps with a choice of four different designs,

account is made up once a year on December 1. With the deposit account arriving in the middle of that month comes a Christmas card from Snoopy Recently Barclays has used to the saver. The Interest rate Kelloggs corn flakes to get their is 1 per cent above normal to

> makers. The average amount invested by each child is only a few pounds. But banks and building accieties are looking into the future, following the adage of "catch them young and you have them for life."

Bristol and West have a three-For Snoopy, the lovable dog year franchise on all the Peanth the Peanuts cartoon is posmuts characters in the popular strip cartoon. It is possibly cartoon characters, and likely better placed to follow through to attract the attention of the catch them young adags

The Snoopy Savings Scheme

Most of these schemes are loss

than most other institutions.

Battle of the trusts UNIT TRUSTS have become big hasiness—very hig husiness. As Mark St Giles, chairman of the Unit Trust Association, reminds us in his introduction to the 1982 Unit Truat Year Book*, the £956m of new units sold in 1981

alone were greater in value: than all unit trust funds under management at the end of 1987. This extraordinary growth makes the fight for market share among major management groups all the more intense. Sales figures for the "industry" as a whole are published monthly but details of where investors are entruating their money are generally available

just once a year.

The accompanying table therefore gives the answer, though changes in position are caused not only by new cash coming in (or going out) but by relative performance. (This depends as much on the number of specialist funds linked to exciting markets as it does on individual managers' skills.)
It is certainly significant that while the five largest groups have all increased their funds io absolute terms, their percentage share of the husiness has slipped in each case. This seems to contradict a fundamental law of economics that when competition gets tough (which it has in unit trusts over the last comple of years) the market tends to concentrate in fewer

One possibility is that the increase in charges 24 years



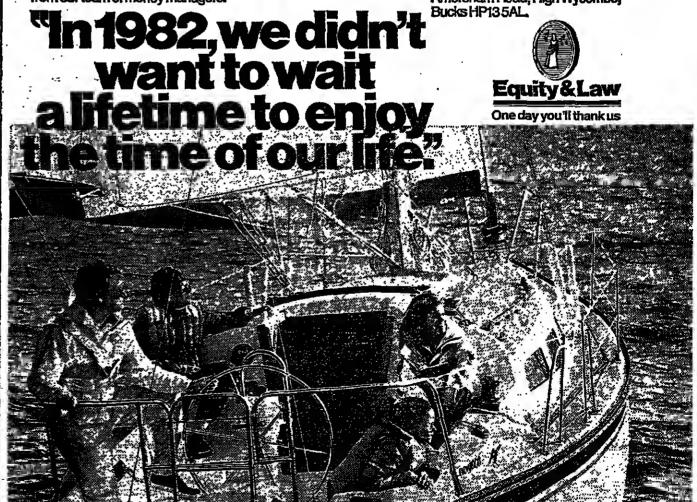
Mr Mark St Giles

gave existing managers
"fat" at a time when new
were entering the ouit trust business. Another is that a market in which sales are made largely through inter-mediaries such as insurance brokers and stockbrokers, rather than through a direct sales force, is by nature a difficult one to corner.

The Yearbook is a good general guide to how unit trusts work, with comprehensive data on individual funds and on performance—though figures go only to the end of last year. The proliferation of funds is bound to baffle many individual investors, which is one reason—another is the price—wby the book is likely to appeal mainly to professional intermediaries. *Financial Times Business Publishing, Greystoke Place, Fetter Lane, Landon, EC4. Price

Tim Dickson

MARKET SHARE	OF UNIT TRUST	5 (%)
	1987	7980
Save and Prosper	15.32	18.18
M and G	14.35	74.79
Allied Hambro	8.38	8.55
Barciays	8.4	9.04
Britannia	5.33	5.88
Henderson	4.59	3,13
TSB	4.28	2.77
Hill Samuel	3.7	3.79
	2.78	2.29
Target	2.77	133
Schrodera	211	7.24
Lloyds Bank	1.95	2.13
Tyndall Gartmore	1,28	1.19
	1.67	1.90
National Wastminster	1.58	1.71
Guardian	1,51	less then 1%
Prudentiai ·	1.37	1.47
Abbey	1.35	1.20
Grieveton	t.13	
GT	1 13	less than 1%



A gamekeeper turns poacher

camekeeper-or perhaps, some asset value. would argue, the gamekeeper

In August last year Mr Angus moved from the offices of investment managers Baillie Gifford to take up residence at Wood, Mackenzie as an investtrusts, the next he was assess-

Angus' touch is certainly evident in this year's Wood Mackenzie Investment Trust Annual which he has written with the firm's senior investment trust specialist, Mr

Most conspicuously, the two bave railied to the defence of a etock market sector which came under increasing fire over the last 12 months as trust managers such as Touche, not. Remnant and Robert Fleming " were forced by their large instifine investment objectives and even to unitise some portfolios.

"Recent criticisms have given us some cause for concern," say the hrokers. "There is e good deel of truth in meny of them. But others have been unjust."

In particular the Wood. Mackenzie men are anxious to

ROBIN ANGUS is a good count—the difference between a cxample of the poacher turned trust's share price and its net

The brokers argue that there have always bean "discounts" in the sector as long as anyone can remember: that sbares of other companies (such as banks, insurance companies and pronearhy Edinburgh stockbrokers perty groups) also trade at a discount but that nobody makes ment analyst. One moment he much fuss; and that rether than managing investment complaining investors should see discounts as an added opporing their performance from the tunity to make money by spotting the fluctuations.

> The brokers also draw attention to "the fallacy of over-supply." Observers who claim there are too many trusts and if the glut disappeared (through unitisations, takeovers and so on are oversimplifying the position. Unlike commodities, investment trusts are not uniform in quality, so that demand will vary depending on whether investors find them attractive or

> The problem is one of performance, not of supply," says the Annual, hitting the nail firmly on the head.

Referring to the spate of new —activity here was on a scale not seen since the early 1970s the Wood MacKenzie Annual talks ebout the "hypocrisy of the institutions."

There is a "curious but faminail whet they see as a few liar institutional practice." say myths. There is, for example, the brokers, "of first underthe old "problem" of the dis-writing and subscribing for new Unit Trusts vs Investment Trusts - 1976-21

UNIT TRUSTS		INVESTMENT TRUSTS	
Trust	Price Total Return %	Trust	Price Total Return %
Top 10		Top 10	
MLA Trust	+389,8	Atlantic Assets	+394,4
M & G Recovery	+344.9	· Berry	+385_3
Perpetual Group Growth	+336.6	Viking Resources	+376.7
Allied Hambro Smaller Cos.	+318.2	Northern Securities	+363.6
Framlington Internat. Growth	+307.6	North British Canadian	+351.9
Key Small Companies	+299.3	Scottish & Mercantile	+344.6
Framlington Capital	+293.4	Moorgate	+300.2
Allied Hambro 2nd Smaller Cos	+280.7	RIT & Northern	+299.7
Mercury General	+274.8	Updown	+273.9
Henderson Capital Growth	+273.2	* Investing In Success *	+262.4
Bottom III		Bottern 10	
Schroder Europe	:- 3.5	Montagu Boston	+ 33.7
Midland Drayton American	+ 54	Drayton Premier	+ 57.2
Barclays Unicorn America	+ 10.4	Atlanta, Baltimore & Chicago	
5 & P European Growth	+ 144	Drayton Consolidated	+ 72.6
Key Fixed Interest	+ 22.9	U.S. Debenture	+ 76.0
Barclays Unicorn Worldwide	+ 243	Raeburn	+ 79.0
Ridgefield International	+ 27,0	Scottish United	+ 79.2
Intel Income & Growth	+ 29.7 .	City & Foreign	+ 79.2
Target Gilt Capital	+ 3 4. 1	Scottish Eastern	+ 79.5
Grieveson Grantchester	+ 35.7	Securities Trust of Scotland .	+ 79.5
	•	-	

investment trust issues in 1981 bands in holy horror at the Annual notes that while the greed and opportunism of the trust managers who have Financial Times All-Share Index launched them." This is certainly a fair criticism but stock tion and, just as significantly, issues are equally guilty for the prices rose by 98.5 per cent, pressure brought on clients to against unit trust price growth

issues and then holding up pious over the last five years, the eector falled to outperform the hrokers which sponsored the unit trusts. Investment trust of 87.5 per cent in the period

Since unit trusts outperformed (investment) trust assets this shows that the much-maligned discount on investment trusts can on occasions have its advantages where making money is

The table shows the top and bottom ten unit and investment trusts over the last five years.

Looking at price performance 1976-71. Imperial Greek coins at £10 to £50

very considerable debt to David fact that the great bulk of these Sear for compiling the twoentitled catalogue "Greek Coins and their Values" and the companion work
"Roman Coins and their
Values." These popular general bandbooks, between them, cover the larger and certainly the more fashionable part of the classical coinage. Now he has produced a third handbook "Greek Imperial Coins and their Values" (Seaby, £27.50) which provides the collector with the only comprehensive and authoritative guide to the and authoritative guide to the local coinage of the Roman Empire Issued by Greek cities and colonies throughout the

Mediterranean area. in the past, been considered throughout his vast dominions, worthy of the attention of the did not dare to suppress the e period of three centuries from a special concession the Roman

coins were struck in base metal time to the coins of the Byzantine Empire, Interest in Byzantine coins was considerahly stimulated following the publication of a Seahy catalogue devoted to them and I heve every confidence in a similar upsurge of interest for Greek Imperial coins in the not too

Greek coinage gradually petered out in the first century BC as the Hellenistic kingdoms fell to the Romans. Following the collapse of the Achaean League in 146 BC silver coins were confined to a very few This coinage, as the some cities. Athens was subdued by what contradictory and unsatis- Sulla in 88 BG but because of factory term "Greek Imperial" ber pre-eminence as the implies, has tended to fall custodian of Greek culture was between two slools—neither permitted to continue striking Greek nor Roman in the widely her familiar "owls" for a accepted sense and yet belong-further 60 years, even though ing to both. The coins them- ber commercial importance was selves bave been largely sadly impaired by the destruction of the port of Piraeus. Even collectors alike, while only the the Emperor Augustus, who remore spectacular rarities have, organised the coinage used

bowever, the silver lodes of Laurium were exhausted and explains their neglect, a situathe last diminutive drachmae tion which also applied at one were struck in 25 BC—a rather pathetic and ignominious concontinuous silver production.

> Under the Roman Empire many Greek cities were allowed to strike bronze coins for local circulation. The fabric and appearance of these coins had certain uniformity; usually a profile of the emperor on the obverse and an allegorical subject of local importance on the reverse. Inscriptions on these colns continued to be rendered in Greek, with appropriate local versions of Roman titles, such "autocrat" for "emperor" and Sebastos instead of Augustus. Particularly interesting

are the often grandiloquent epithets by which the issuing cities liked to describe themselves — "illustrious" Damascus, "brilliant" Syedra, or
"greatest and best" Nicaea,
while other places used adjectives alluding totheir naval or religious importance.

In the east. While the obverse depicted on the reverse, on horseback or seated on 2 Jewish revolts, throne, More often buildings. With the statuary, landmarks and local deities were depicted. Many and religious festivals. The feature prominently in the

while other places used adjectives alluding totheir naval or and empresses, there is a subtential group known as the usually capricious.

Greek Imperial coins spanned quasi-autonomous coinage. As

Augustus to Diocletian and government allowed certain were issued at over 600 mints cities to omit the name and from Spain in the west to Iraq portrait of the emperor from of these coins tended to hear is the much smaller group conthe profile of the emperor there sisting of the coins, issued by was a tremendous diversity in client states on the fringes of the motifs featured on the the Roman Empire. These reverse—far greater then that ranged from the Geltic tribal found on the Roman State coin-kingdoms of Britain to the age with which it co-existed, petty states of Parthia and the Sometimes the emperor was Black Sea coast and included the coins issued during the two

With the exception of some aliver tetradrachms and shekels of the latter, for which demand coins were issued in celebration is understandably very keen, of local events, sports meetings Greek Imperial and associated coinage is relatively inexpensive names of moneyers, magistrates and most of the 6,000 coins and other local functionaries listed in this catalogue are in feature prominently in the the £10.£50 price range. With inscriptions and shed light on more than 1,750 illustrations the organisation of local govand exhaustive tables of inscripernment in the Roman Empire, tions, the book provides an particularly in the eastern invaluable guide to this fascinating subject. Mr Sear is to be congratulated for attempting to establish realistic valuations in

Looking at the variable life concept

advertisement appeared in means a new one. The UK has yesterday's Financial Times always been regarded as underyesterday's Financial Times always been regarded as under-from Abbey Life—a leeding insured, though the official sign bas heen to divide plans cient to meet that cost of life unit linked life company. stetistics have never conveyed into two separate categories— cover, leaving the remainder to Instead of extolling the investment performance of its various funds—the usual theme of most life company publicity —Ihis advertisement carried the dramatic headline "If the Breadwinner dies the Average British Family has less than a

year to survive."

Many families in the UK still have insufficient life cover to provide the financial protection needed should the breedwinner die. And despita vast pressure from the various welfare organisations, the henefits pravided by the social security system in the UK are still pitifully inadequate.

1981 CLARET

1981 le the best vistage siece at least 1978; many authorities in Bordesux think it is better still. The quantities evallable at first tranche prices have been severely restricted, and subsequent supplies are now substantially more expensive.

sive.

Las Amie du Vin's 1981 Claret

Offer at First Tranche prices,
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> _ESMA BRITISH LIMBLESS **EX-SERVICE MEN'S ASSOCIATION**

But this situation is by no means a new one. The UK has the exact position. These statistics tend to be confined to quoting monetary figures for the average amount of life cover per country. Abbey Life made the statistics much more meaningful by showing how long the amount of life cover would support a family. The

findings are shown in the table.

One can find plenty of explanations for underinsurance in the UK. The public by and lerge Is just not prepared to talk about death. Savings and Investment ere more interesting to a public much more motiva-ted by greed rather than need. And the life companies and their representatives have orienteted their contracts and their sales approaches to savings rather than protection.

This point comes over clearly in an article in these columns by Carla Repoport, who des-cribes her experiences with a life salesperson.

Thus the situation arises where provided a life contract offers some life cover—and they have to provide a minimum level in order to qualify for the average saver is contented.

The life companies themselves into life assurance. He bopes before sean with whole lifa are not entirely blameless in savings and protection. And the sales pitch has been to sell savlngs and top up with protection in cases where the saver is "clued up" enough to ask for life cover. Protection plans life cover. Protection plans bave been designed in the days of mild inflation with fixed levels

of cover and bave proved quite inadequete to meet the eroding effects of inflation. But one outstanding feature in UK life assurance over the past decade or so bas heen the growing development of contracts designed to meet the needs of the consumer. Most of these efforts have heen concentrated on savings plans which maximise investment and minimise tax liability. This profes-

sionalism has in the past couple of years or so been turned to protection policies. And like many inventions, the product produced—the variable life plan - is extremely simple in concept and design.

The hreadwinner, conscious should first decide how much life cover would be required to support his family. Then he decides bow much from his income he can afford to put aside

WE.THE LIMBLESS LOOK TO YOU FOR HELP We come from both world

wars. We come from Korea, Kenya, Malaya, Aden, Cyprus ... and from Ulster. to you for help. Please help by helping our Association: BLESMA looks aller the bless from all the Services. II helps to overcome the shock of losing arms, or legs or an eye. And, for the severely handicapped. It vides Rasidential Homes

where they can live in peace Help the disabled by helping BLESMA. We promise you that not one penny of your donation will



the amount that can be put cover, leaving the remainder to he invested in a savings scheme. But investors need change. A married man with a young

family bas need of high life cover and cannot afford much In the way of premiums. Later in life when the family has grown up, the life cover needs decline (hut never disappear) The variable life concept copes admirably with these changing circumstances.

Under this plan, the policy-bolder selects his level of life cover and amount of premium he can afford. The cost of the cover, and the expenses, are deducted from the monthly premium and the remainder is invested in one of the funds managed by the life company. Each year, the policyholder has the option to vary the level of life cover, both decrease and increase, and the amount of premium paid, within the limits set by the qualifying legisla-

Thus the policyholder can increase the cover end keep the premium unchanged leaving less for savings. Or decrease the cover and keep the premium unchanged thus accelerating savings. Or he could increase policybolder can always keep his cover and premium up to date to allow both for inflation and for changing circumstances. The plan provides complete flexibility in a manner never

BUILDING **SOCIETY RATES**

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format, there was e fixed cover level, which rose with bonus declarations if it was a withprofits contract. But premium was fixed and to increase it required affecting a new policy.

The variable protection con-

cept was first introduced in the UK by Hambro Life and the company bas found it to be by far its best selling life product. and the amount that can he set aside correspondingly increases innovations, other life com-The variable life concept copes panies have improved on the design, making it more flexible and easier to understand.

Skandia Life produced the prototype for the present style. Abbey Life lannched its version early this year and sold £74m by the end of June. Now Stan-dard Life has introduced its version from its linked subsidiary to go alongside its traditional whole life product. . The variable protection concept could he the life policy of

the 1980s simply because it provides protection and savings under one contract and is one policy throughout an investor's life. It could be made even more flexible if the Revenue relaxed its qualifying conditions which are somewhat illogical. But to get the maximum benefit from these contracts, the policyholder bas to review his situation each year. It is both cover and premium. The not a policy that can be left policybolder can always keep in a bureau drawer and the premiums paid each month by direct debit without a second thought. It woold be a pity if investors through their usual apathy treated this policy like any other life contract and left their widows to find that the life cover proved eventually to be inadequate.

> COMPARATIVE NATIONAL LIFE COYER IN TERMS OF MONTHLY INCOME Average . incom

Country the cove japan U.S. 11,774 8,377 7,249 5,849 Sweden France West Germany

Questions about

FOR SOME reason, I rarely notice my surroundings when on the street, so I'm fairly easy prey for people carrying note-peds with questionnaires. A few days ago, a young woman with a ponytail and a freckled face cended upon me and began inquiring about my savings

Her questions were innocuous enough until she got to num-ber four: "Do you think women should still have some financial independence even when they

Like most working women, financial independence is as dear to meras my pay packet. I asked for a copy of ber questionnaire and took it hack to the FT office. The recommendation of the FT office. the FT office. The young women represented Acorn Growth Assoclates and ber questions were aimed at getting me to sign up for an "easy flexible savings plan" which earned e "Government rebate" of £2.12 for every £12. saved.

1 phoned the number on the questionnaire and spoke to a young woman called Millie. She told me that men get a better deal than women in the finandeal than women in the finan-cial world and Acorn offered a 7.3 per cent over the last 12 special savings scheme just for months. Where had the 16 per special savings scheme just for women. I asked about this rebate from the Government.

"The Government wants to encourage people to save. For example, if you save £20, the Government gives us £3. You don't have to be working to get it. It is for everybody. It's like

Pressed for details, Millie admitted she wasn't sure how the scheme worked but said it was called "tax relief."

When I asked if she wasn't selling a life insurance policy, she said, 'Yes, we do throw in a life cover charge," but seemed unaware of the fact that this provided the tax relief. She said one of Acorn's seven funds and added that the whole thing arrange mortgages, that sort of would be "very complicated" to thing," be said.

In answer to a question about the funds, she advised the equity fund. "It earns 16 per cent," ahe said, adding that stocks and shares are "probably the best investment" because they "grow all the time —they grow faster than inflation.

I somehow got the impression information," the company that Millie would not know the states that it reserves the right



over the head. The Acorn value of each plan may questionaire states that its delay payment for up to five saving scheme is offered in conjunction with Property Growth. junction with Property Growth certain funds.

Assurance, a subsidiary of the
Phoenix group, so I called PGA managing director of them.

marketing and agency manager might be preying upon the preof PGA, who was delighted to sumed ignorance of its potential talk about the funds. Equities, customers. cent figure come from? Since its inception in May, 1974, assuming regular monthly contributions, the equity fund bad registered a 16.4 per cent growth rate per annum.

Mr Austen noticeably lost enthusiasm when the name
Acorn came up. A third of
PGA's business is through
"tied" agencies, of which
Acorn is one. He stressed
Acorn is wholly-owned by Acorn and earns commissions from PGA on the basis of performance. He said there had been complaints about Acorn and it no longer completes contracts on the street.

booklet does the company explain that the life policy. aspect of the scheme means tying up your money for several years, and only makes the most delicate of references to the life cover. In a supporting booklet, under the title of "technical

I spoke to Mr Mike Austen, whether the Acorn scheme

I don't know Mr Manson and he doesn't know me, but ha first name throughout the conversation. "You see, Carla, we try to simplify it-to ma simple for our young ladies. You go along to see someone in their 20s and say tax relie tax relief?"

As for Millie's expertise, he

said the sales people get a three day training course but have no other qualifications. "You can't really control what goes on in the field." He said the company safeguards itself from inten-tionally misleading someone by hiring "ordinary people to de

Mr Manson said the scheme was designed to help women, who he said can still be discriminated against by building

Nevertheless, he's actively considering starting an Acorn Somebow, however, I doubt if one of my colleagues will be stopped before long and asked if he thinks men should still have some financial independence even when they marry.

. Carla Rapoport

Is now the time to sell gilt-edged?

tion on many lips after a period election next year will start the top of the market. It is in which fixed interest securi- to make people nervous." ties heve significantly outper- Richard Bowles, who manages no longer so easily fooled formed equities and brought e the £5.75m Manulife Gilt Fund. much-needed smile to the faces admits that "it must be a tempof long-suffering private inves-

Since the beginning of the year the Financial Times Actuaries British Government All Stock Index bas powered ahead hy around 24 per cent while at the longer end of the market gains beve been nearer the 30 per cent mark. Over this time the FT-Actuaries All Share Index has moved up by a more sedate 8.4 per cent.

A quick look et the table will show that those tempted to invest in gifts via the unit trust not afraid to move to the short route have not shared equelly in the spoils. The table, of course, covers the last half of 1981 when the market behaved in a rather more uneven fashion The last 12 months have thus

proved a testing time for the managers of gilt funds and it ie perhaps significant that two insurance company funds have come out on top. Insurance groups as a rule have lerge chunks of their life funds tucked away in the gilt edged market hut they also know that money can be made by active trading. It is also noteworthy that the top funds generally offer e low yield; those at the bottom have been going for a high income. When prices are going up it

is generally accepted that a fund will be hard pushed to do better than the market as a whole. If prices fall, on the other hand, the shrewd manager can move his portfolio completely into cash, thereby protecting the value of unitholders' capitel. This is what seems to

not going to continue for ever." The film kegal and General Fund is actively managed and stayed out of gilts for some time after it was launched in April last year.

We came in last autumn and have been pretty fully invested since then. We bave switched quite a few stocks around at the long end of the market," adds Mr Tickle.

Over the short term be is impressed by prospects for inflation and feels the Govern-

Longer term, however, the Eric Short time will come when we will improve the speed of service have to turn existing. Infia- and eventually should facilitate

IS IT time to sell gilt edged tion cannot go on falling inde- not, so honourable history of stock? This must be a ques- finitely and the prospect of an encouraging new investors at

tation for investors to sell. The market is getting a bit overcooked at the moment and I think those who bope for dramatic chenges in interest rates could bo disappointed.

"Although inflation and the outlook in the U.S. are both FU still favourable we are getting a bit cautious and the next step may be to sell stock."

Like Legal end General, the Me Manulife Fund is actively All managed and the managers are end, or completely out of the market if necessary. When Me we launched the fund we said All that the important thing was total return. We did not think it right to restrict ourselves to

Unit trusts were first allowed to offer tax efficient gilt edged funds in 1980 and as with any new idea subsequent promotion has been hyperactive. To date the 32 gilt eged unit trusts available have pulled in a cool

a high yield."

After the long wait for a decent bull market—which had to happen come time-it was in Sand P Gilt Income structive to hear one group of unit trust managers this week bemoaning the fact that the Barrington Gilt recent huoyant performance of their fund bad not attracted much new money. Unit trust, managers, have a

good to know that investors are

GILT UNIT TRUSTS: BEST AND WORST PERFORMERS JULY 1 1981 TO JULY 1 1982

IND	net divs
gal and General Glit	. : 35.6
mulife Glit	25.4
ercury Gilt	73.0
ten, Harvey and Ros	16.6
and P Gilt Growth	14.2
Il Samuel Gilt Grow	rth 13.2
and G Gilt	13.4
lied Hambro Goyt. 5	ecs. 128
olific Capital Growt	h 12.3
delity Gile	11.8
BOTTOM T	EN
ND	V
aigmount Gift .	2.7
nderson Gilt	0.6
unlington Conv. and	Gilt 5.2
bey Gilt	6.1
rest Cile Income	

Target Gilt Capital

Midland Gilt

Arbethnot Gilt.

Tim Dickson

The taxman sifts John Tickle, an investment through his files thinks there is "still a bit more to squeeze out of the gilt mar. THE TAXABLE TAX

THE TAXMAN is planning a the intended move to com-major weeding out of his 27m puterisation. files on taxpayers. The Inland
Revenue believes that after affected will probably not take years of religiously fiting all any notice of the change but letters, much of the material is for those who helieve there is retained unnecessarily.

PAYE arrangements who are posals. not required to make a returnannually. Removal of all their small and uncontentious items is expected to reduce the files held at the 800 tax offices around ment Broker's recent "taplets" the country to such an extent and tranches "are meeting a that some £5m'a year could be a saved on the such as the country to such an extent market demand." saved on space and staff time. In addition, it should help to post.

tained unnecessarily.

a good reason why their ment should be kept intact—the tax with which most people would authorities have prepared a connot argue the sifting will only sultative paper setting out the nature and effect of the pronature and effect of the pro-Copies of this may be in-

> Room 8, in the New Wing. Somerset House, Strand, London WC2 ILB. Alternatively 309 will obtain a copy through the

spected in the Inland Revenue's

Chris Cameron-Jones

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Compensation for watch

BY OUR LEGAL STAFF

At the beginning of December 1981 I took my gold watch on a gold bracelet, which the leweller valued at about \$425 retail, to be repaired. In March : 1982 I was told that the watchhad been lost. The Post Office finally agreed to pay compensation and have offered to replace the watch with one of o similar retail value.

Having another perfectly good watch and having managed. without the lost watch for seven months I prefer to take the compensation in each. The Post Office say they will only pay to the jeweller the trade value of the watch, £225, in

eash. Am I entitled to the full

retail value of the watch in The compensation payable by the Post Office is a matter between your jeweller and the Post Office and depends on the terms of their contract. It may well he that only the trade value of the watch is payable to the jeweller. If the loss occurred in circumstances which entitle you to claim damages from the jeweller you could insist on the value to you of the watch, ie its retail value

accept another watch in lieu. But if you have no claim in damages you should occept a watch or whatever sum the feweller can get from the Post

Close companies merger

My wife and I are the only directors and shareholders of two small limited companies, each company holding two hlocks of lock-up garages as fixed investments for benefit of income rental and capital appreciation.

The plan for expansion of the companies necessitating two companies, not having been realised, we should like to merge the two companies to reduce needless book-keeping and administration and

be achieved by following an appropriate procedure through the courts, which would not attract an assessment to CGT (the value of the properties having substantially increased damages, and you need not since acquisition), and that the

usual procedure would cost some £1,500-£2,000. We have heard alternatively

that a group might be formed by share exchange, the properties transferred to the parent, allowing the subsidiary(s) to lapse, and subject to Revenue clearance the transaction would be relieved from liability under Sec. 85 CGT 79, the consideration for relief under SEC. 8. Further, that this procedure should be less expensive as a merger arrange ment than the former

possibility.

However, is there any way, given Revenue clearance, in which our object might be achieved more simply. For example, could we not have one of the companies issue shares in exchange for the shares of the other company, and then have the assetless impany struck off? The companies auditors are best placed to advise you, from their knowledge of the full background facts (as well as the tax and company law).

From what you say, however.

the simplest solution appear to be for one company (A) to ac-

quire the other company (B)

No legal responsibility can be occepted by the Financial Times for the onswers given in these columns. All inquiries will be onswered by post as soon as possible.

by means of a section 85 share exchange. The assets of the subsidiary company (B) could then be transferred to its parent (A), with the benefit of section 273 of the Taxes Act.

Provisions for pensions .

I belong to the teachers'

My busband and I are both 44. I am a teacher earning approximately £9,000. My husband is self-employed earning £4,500 last year after

(compulsory) superannuation scheme but my husband does not belong to any pension cheme. This has concerned us for some time. But we have been very indecisive, as anyone who can give us advice eg the bank or insurance agent is not disinterested. So we have made no provision for his pension (apart from the national insurance scheme). One other concern is what provision can we make for any illness my husband may have? We feel very insecure because

of these two problems. (We have just moved to a new house which cost £42,500 and have a mortgage of £23,000 from a building society to be paid back in 25 years.) Could you please advise us?

From your letter it would appear that your priority should be to ensure that you have enough life cover to pay off the mortgage in the event of your deaths. Each can insure the life of the other by means of low cost term assurance for which the Phoenix Assurance Company is the market leader.

Protection against the risk of in-ability to earn through dis-ability or long term chronic illness can be obtained by a Permauent Health Insurance (PHI) policy. Premiums are lowest if you can survive the first six mouths or one year because if benefits only start after a year's incapacity the risk is low and the premiums are very much lower than if the insur-ance company has to pay out a lot of claims for short term sickness. The market leader bere is National Employers Life in

As regards aelf-employed retirement policies an insurance company with a consistently good track record is Equitable Life which has been in existence for 200 years and pays uo commission. Their head office is in Coleman Street; London EC2. of equitable interests in the

Mortgage tax relief

Can you advise me on the tax position in the following example?

(a) Husband and wife elect for separate taxation. (h) Besides having a mortgage ou their own home, they wish to buy a house for an elderly wed mother. (c) Their own mortgage is above £25,000.

Would any tax relief be allowed on the interest paid on the house for the widowed mother? You and your wife combined gift cao only obtain relief on a total sum of £25,000. Separate tax-ation makes no difference. Any one person can obtain relief up to £25,000 and two people, not spouses, living in the same could obtain relief.

Exemption from

In a reply under Exemptions from C.T.T. (May 29) to a man who with his wife suggested giving parts of the value of his house to his son by way of a charge or mortgage to the value of £6,000 each year, you wrote: "A series of assignments

house, not exceeding £6,000 in value in any one year is more likely to be successful." Would it be able to take advantage of this to pass my house gradually to my three children? Would such transfer of equity give rise to a C.G.T. liability? You can adopt the scheme of a series of assignments, but the value of each annual gift should not exceed £3,000 per douor. Capital Gains Tax would be incurred on each transfer. must remind you that the efficacy of the scheme is yet un-

No element of

My fother died last May (81) and we agreed to huild o "Granny" extension onto their house so that we could all live there. Since the property was owned jointly, upon my father's death it passed to my mother. It was also agreed that my husband and I would buy our half of the property from my mother but that that sale would have to owalt sale of our own house to raise the necessary funds (about £40,000 for our half). The extension was completed last December at an approximate cost of £20,000 of which we paid half directly to the bullders. We moved in at that time but our own house has remained unsold

to date. We have now been advised that the £10,000 we paid to the builders prior to April 8 may be seen as a capital transfer to my mother, my mother's estate being larger by that amount and thus incurring extra C.T.T. and us owning less than half the house with similar consequences. The money was in fact part payment for our half of the bouse. Would it be advisable to confirm this with a legal document (say as a deposit) or would it be more acceptable to the tax authorities if it were a loan which mother could repay now and then when we baye sold oor own house we would pay her half the new value (with extension)? Could you also advise us of the position regarding Stamp Duty on part-porchased property? Does the "exempt" value apply to our half?

You should characterise the £10,000 payment as a deposit and/or part payment of the purchase price for the half share in the property, paid in consideration of your being allowed into occupation. There should then be no element of gift. The reduced rates of stamp duty would apply if you are able to give the appropriate certificate for the property sold, ie, the half share, and again on later sales or gifts of parts: hut the present limit of reduced rates is £35,000.

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ENT TRUST TABLE

The figures in the columns below are based on information supplied by the companies asmed, which are members of The

	The Association of Investment Trust Companies THE INVEST as at close of business on Monday 19th July 1982 as at 20th June 1982 Net Geographical Spread						Total Return	ŀ			
Total Assets Less current liabilities (1) £ million	Company (2)	Share Price (3) pence	Yield (4) %	Net Asset Value (5) pence	UK (6) %	Nth. Amer (7)	Japan (8) %	Other (9)	Gearing Factor (10) base = 100	on N.A.V. over 5 years to 30.6.82 (11) base = 100	[]
215 3 1 6 6 56	VALUATION MONTHLY, Alliance Trust Atlanta, Baltimore & Chicago British Invest. Trust First Scottish American Trust	299 72 189 126	5.4 2.0 7.0 5.5	416 82 259 169	50 170 65 61	40 83 28 27	4 6 11	6 1	97 91 88 100	175 128 157, 163	
106 8 66 24	Investors Capital Trust New Darien Oil Trust Northern American Trust Co. River Plate & General Invest. Trust	108 53 140 114	4.4 0.4 5.2 6.9	148 62 184 151	43 4 60 75	38 81 27 11	12 11	7 15 2 14	96 92 103 98	152 † 165 -202	
14 177 74 129 71 4 108	xSave & Prosper Linked Invest. Trust Scottish Invest. Trust Scottish Northern Invest: Trust Scottish United Investors Second Alliance Trust Shires Investment United States Debenture Corporation	98 131 90 50 251 123 116	5.0 6.7 4.5 5.2 13.7 7.8	189 184 131 68 360 146 154	100 42 63 35 51 100 72	35 32 41 38	10 22 9 5	13 3 15 6	163 99 107 99 99 87 101	137 166 178 152 175 147	
185 80 14	West Coast & Texas Regional Baillie Gifford & Co. Scottish Mortgage & Trust Monks Invest. Trust Winterbottom Energy Trust Baillie Cifford Japan	160 69 47 73	2.3 4.7 5.0 2.0 0.0	94 218 97 53 85	140 36 36 -	86 450 36 93	11 17 100	8 11 7	95 98 102 100 79	122 166 166 115	
3 54 35	Mid Wynd International Invest. Trust Baring Bros. & Co. Ltd. Ontwich Invest. Trust Tribune Invest: Trust Drayton Montagu Portfolio Mngt. Ltd.	49 62 97	6.0 6.3 4.6	92 136	20 61 40	48 18 37	19 10. 10	13 11 13	97 109 100	176 165	
8 4 84 12 59 94 17	British Indust. & Gen. Invest. Co. City & Foreign Invest. Co. Drayton Consolidated Brust Drayton Far Eastern Brust Drayton Japan Brust Drayton Premier Invest. Trust	135 73 156 57 148 200	6.3 0.0 7.2 3.1 2.9 7.7	168 90 237 71 214 296	49 64 15 24 66	15 92 17 8 29 16	21 - 8 46 36 11	15 11 31 11 7	93 80 79 77 68 88	130 157 143 133	
17 7 18 16 14	English & International Trust Montagu Boston Invest. Trust XCity & Commercial Invest. Trust XDualvest plc. XFundinvest plc. Xhiple vest plc. East of Scotland Invest. Managers Ltd.	105 61 256 457 121 338	7.8 2.9 - - -	155 68 334 582 167 504	64 10 94 83 92 78	19 90 3 9	8 -3 1 4 1	9 - - 7 1 12	95 75 142 127 128 124	173 185 7	
61 78 20	East of Scotland Invest. Managers Ltd. Aberdeen Trust Edinburgh Fund Managers Ltd. American Trust Crescent Japan Invest, Trust General Scottish Trust	139 62 256 61	6.5 5.24 0.8 7.2	180 84 294 82	81 39 63	16 60 - 25	1 - 100 7	1 - 5	102 100 97 96	172 167 172 182	
3 11 9	New Australia Invest, Trust New Tokyo Invest, Trust Wemyss Invest, Trust Electra House Group Globe Invest, Trust	70 102 350	2.9 0.0 8.2 8.7	65 108 420	1 53	29	99	100	101 97 84 96	† † 137 185	
361 45 32 32 6	Temple Bar Invest. Trust F&C Group Alliance Invest. Co. Cardina) Invest. Trust F&C Eurotrust	61 90 84 48	9.3 4.7 5.6 4.3	123 121 81	95 58 60 16	18 15 1	15 5	9 20 83	98 111 108 114	171 209 186 112	
270 42 17 16*	Foreign & Colonial Invest. Trust General Investors & Trustees Robert Fleming Investment Mngt. Ltd. Claverhouse Invest. Trust Crossfriars Trust	60 82 122 118	4.8 5.8 7.7 7.9	86 117 171 161	51 60 99 100	28 14	14	9 22 1	118 106 99 92	176 190 216 200	
11 52 82 87 134 49 65	Fledgelio g Investments Fleming American Invest. Trust Fleming Far Eastern Invest. Trust Fleming Japanese Invest. Trust Fleming Mercantile Invest. Trust Fleming Universal Invest. Trust London & Provincial Trust Technology Invest. Trust	71 230 112 171 57 154 177 165	4.4 2.6 1.7 1.5* 6.8 5.6 4.8	86 301 158 237 82 221 207 215	89 42 43 48 51 68 59 61	10 54 1 5 31 19 25 29	45 44 7 4 8 9	1 4 11 3 11 9 10	99 84 94 95 103 99 99	306 149 173 170 179 170 162 180	N + x
43 98 30 34 9	United British Securities Trust United States & General Trust Corp. GT Management Ltd. Berry Trust GT Global Recovery Invest, Trust GT Japan Invest, Trust	151 808 157 66 291	6.6 6.0 1.5 7.8 2.2	220 366 181 79 312	39 76 40 60 5□	32 16 29 24 4	16 5 14 2 88	13 4 17 14 3	90 94 113 106 106 108	162 . 165 244 † . 207 218	2C 2T (2)
11 10 32 36 11	Northern Securities Trust Gartmore Investment Management Ltd. **Altifund plr. Anglo Scottish Invest. Trust English & Scottish Investors Group Investors London & Cartmore Invest. Trust	180 63 62 101 115	3.2 0.3 5.4 4.2 4.4 1.9	290 235 90 87 186 143	51 91 54 54 49 30	2 34 31 48 36	8 3 6 5 4	12 4 7 10 4 27	102 124 103 98 102 127	229 172 189 195 156	(b)
8 12 28 15 20	London & Lennox Invest. Trust London & Lomond Invest. Trust London & Strathciyde Trust Meldrum Invest. Trust Continues Investment Scotland Ltd.	45 104 74 74	6.3 5.6 4.2 6.7	62 145 89 100	53 72 63 91	37 26 28 8	1	10 1 9 3	102 96 111 100	161 171 166 223	E
102 25 115 15	Scottish National Trust Glasgow Storkholders Trust John Govett & Co. Ltd. Border & Southern Stockholders Trust General Stockholders Invest. Trust	103 75 78 146	4.8 4.6 5.1 4.6	143 101 111 198	59 56 59 49	25 82 18 38	15 8	11 12 8 5	107 109 96 97 102	166 166 163 149 164	80 CO.
85 84 32 8	Lake View Invest, Trust Sinckholders Invest, Trust Hambro Group Bishopsgote Trust City of Oxford Invest, Trust Hambros Invest, Trust	133 129 86 102 81	4.6 4.1 6.8 7.7 5.8	177 177 126 141 121	48 35 59 100 50	10 60 32 -	25 9 6 -	19 6 3 - 3	97 104 102 106	158 179 218 215	Per dia
72• 8 172 30	Rosedimand Invest, Tribe Henderson Administralian Ltd. Witan Invest, Co. Ricctric & General Invest, Co. Greeofries Invest, Co.	70 70 706 168	4.3 3.6 2.0	191 96 154 226	100 67 51 56	25 34 23	13 8 9	6 7 13	102 100 108	203 179 172 217	22
9 9 31 186 8	Lowland lovest, Co. Philip Hill (Management) Ltd. General Consolidated Invest, Trust Philip Hill Invest, Trust	98 118 137 156 89	7.9 7.3 6.8 7.6	117 181 188 178	91 68 75 89 58	26 21 7 37	-	7 . 6 4 4 6	97 98 94 92 96	230 185 204 250 157	-
45 14 9	Nineteen Twenty-Eight Invest. Trust Industrial & Commercial Fin. Corp. Ltd. Loodon Atlantic Invest. Trust North British Canadian Invest. Co. Ivory & Sime Ltd.	91 114	7,8 6.4	121 135	74 93	12 3		14 4	92 100	202 279	
123 † † 6	Atlactic Assets Trust British Assets Trust Edinburgh American Assets Trust Independent Invest. Co.	57 92 98 136 16	0.6s 6.8 1.2 0.5 0.9s	124 † † 21 77	88 + + + 2 9	55 † † –	† † † 98	+-[-++-] 3	103 † 92 116	186 † † † 205	
35 39 39 49 59	Viking Resources Trust Kleinwort Benson Investment Mngt. Ltd. British American & General Trust Brunner Invest. Trust Charter Trust & Agency English & New York Trust	51 76 74 92	7.0 5.9 6.7	77 70 103 105 130	51 49 56 57	37 38 33 32	7 7 7 5	5646	93 96 102 94	160 191 168 155	A STATE OF THE PARTY OF THE PAR

		1	862	t 30th J	as at 30th June 1982						
otal Return		as at close of business on Monday 19th Ju	1 2302			Co		cal Spre			Total Return
on N.A.V.	Total Assets	A			Net	- 00		Caropre	1	G	on N.A.V.
ver 5 years	less current	Company	Share		Asset		Nth.		ا	Gearing	over 5 year
to 30.6.82	liabilities		Price	Yield	Value	UK		Japan		Factor	to 30.6.82
(11)	(1)	(2)	(3)	(4)	(5)	(6)	(71	(8)	(9)	(10)	(11)
base = 100	£million	4.4	pence	%	pence	% 6	%	%	٠ĸ	basc = 100	base = 100
		Kleinwort Benson Inv. Mngt. Ltd. (contd.)	-		 						
	9	London Prudential Invest. Trust	170	6.5	141	68	21	7	4	98	192
175		Tondon Frudential Invest, Itust	118 95			53	35	7	5	93	170
128	77	Merchants Trust	} 90	6.2	135	90	30 .	, ,		, 20	1 110
157.	64	Lazard Bros. & Co. Ltd Raeburn Invest. Trust	161	6.7	236	56	33	5	6	93	162
163	. 51 .	Romney Trust	118	5.3	169	35	41	13	ıi	99	161
152	· 91 ·	Morgan Grenfell Ltd.	1 +10	0.43	103	300]	1	1 11	, "	-0-
1	112	Anglo-American Sec. Corp.	132	5.5	188	55	25	12	8	94	160
165	33	North Atlantic Sec. Corp.	129	3.0	163	iio	47	22	200	85	150
202	30	Murray Johnstone Ltd.	1	0.0	100	}	· ••] ~~~	1	
137	68	Murray Caledonian Invest, Trust	76	7.5*	99	52	31	4	13	98	167
166	103	Murray Clydesdale Invest. Trust	63	3.9*	90	33	52	Ĝ.	9	93	155
178	: 28	Murray Glendevon Invest. Trust	134	2.9*	180	40	46	6	łř	110	160
152	37	Murray Northern Invest, Trust	71	3.9*	103	24	30	15	зi	101	152
175	113	Murray Western Lovest. Trust	81	4.4	115	27	54	8	ĭî	86	157
147	110	Rivermoor Management Services Lid.	, ,,	****	1	<i>"</i>	1 "	{		1	1
* }	133•	London Trust	68	7.9	104	60	22	_	18	119	216
122	16	Moorside Trust	61	8.2	73	55	39	3	3	86	165
{	42	River & Mercantile Trust	130	8.2	172	70	14	ĭ	15	95	202
166	44	J Rothschild Invest, Management Ltd.	100	Q144		٠٠ ١		1 -	200	1 "	*****
166	215	DIT & Northorn	134	7.0	189	570	16	4	23	80	240
115	30	RIT & Northern Ailsa Invest, Trust	45	5.0	57	50	31	10	ě	90	} ~~~~
- † 1	9	Precious Metals Trust	67	0.0	72	370	48	ſ.ĭ	14	57	l †
. † 1		N M Rothschild Asset Management Ltd	, ,,	0.0	'-	"."	10	٠. *	17	1 "	,
	16	Equity Income Trust	320	7.8	401	88	1.	ł –	1	100	i +
176	10	J Henry Schröder Wagg Group	50	7.0	401	00	,	-	1 -	1 -00	, ·
165	. 29	Ashdown Invest Trust	185	5.3	263	52	38	7	3	92	165
	40	Broadstone Invest Trust	202	5.3	283	47	46	5	1 5 .	97	168
	. 66	Continental & Industrial Trust	268	6.9	373	'49	48	· <u>~</u>	3	101	165
130	40	Trans-Oceanic Trust	179	4.5	109	35	51	9	5	97	165
	. 40	Stewart Fuod Managers Ltd.	, .~ i	7.0	200.	00	, ·	. "	١ ٠. ١	, ,,	}
157	99*	Scottish American Invest. Co	133	4.9	176	·61	39	3	7	101	204
143	50	Stewart Enterprise Invest. Co.	27	21	35	760	14	! ~ '	10	60	7
133	0-	Throgmorton Invest. Management Ltd.	} ~ .		1 00		1	-		} ~~	'
. † 1	14	xThrogmorton Secured Growth Trust .	150	_	223	100	l –	_	l _ i	_	163
‡ j	67	Throgmorton Trust	116	7.4	233 153	99	1	ι -	! _ '	104	246
	٠.	Touche Remnant & Co.	1		100	-	1 -	f –	!		
173	45	Bankers' Invest. Trust	84	6.7	115	72	19	4	5	100	178
185	43	Cedar Invest. Trust	104	6.3	128	72	12	5	11	87	175
7.	20	TR Australia Invest, Trust	104	4.8	140	38	10	Ž.	50	95	179 -
450 I	56	TR City of London Trust	.84	8.5	115	92	6		2	96	190
172	254	TR Industrial & General Trust	74	5.8	109	86	18	7	10	106	185
107	71	TR Natural Resources Invest. Trust	154	6.3	221	59	26		15	103	171
167.	41	TR North America Invest, Trust	175	5.1	228	44	50	_	6	97	167
172	54	TR Pacific Basin Invest, Trust	98	2.9	146	47	3	. 43	. 7	94	166
182	49	TR Property Invest, Trust	75	4.2	.107	75	14	· ī	10	99	162
‡ [153	TR Technology Invest, Trust	98	4.8	136	. 66	25	13	6	97	196
	94	TR Trustees Corporation		6.5	98	74	14	3	9	106	192
137		VALUATION THREE MONTHLY									
100	21	Dundee & London Invest. Trust	94	8.1	126	76	15	7	ایا	OF	70/
185	- 4	Lancashire & Londoo Invest. Trust	70	5.9	93	84	16		2	95 50	184
171	10	Oil & Associated Invest. Trust	75	7.3	95 95	64	32] _	4	72	740
209	16	Safeguard Industrial Investments	107	7.7	140	100				95	140
	. 12	Scottish Cities Invest. Trust	238	6.9	339	89	8	_	3	98	200
186	15	Scottish & Mercantile	169	6.8	254	87	18	-		71	I
112	21 ·	Yeoman Invest. Trust	129	7.5	168	83	11		4	99	100
176	12	Young Companies Invest. Trust	132	6.9	170	89	3	2 3	5	95	193
190	مد	lvory & Sime Ltd.	, ma	0.3	1.0	09	٠	ر د ا	0	97.	T
216	3●]	First Charlotte Assets Trust	11	0.7	10	75□	25	_ !		72	
200	21•	North Sea Assets	122	2.9	179	48	51		ī	92	†
200	41-	- 101 U. C. L. L. C. L.	1		1.00		O.T.	. – 1	1	9.3	

OTES TO THE TABLE

No date.

Split capital trust (capital shares).
Applies to Ordinary (A "Ordinary o Does not include special dividend.

More than one quarter in non-equity investments.

Alors than 20° in securities or other assets included at directors' valuation.

a) Cols, 1,3 to 5 Figures supplied by Wood Mackenzie

4. Co., members of The Stock
Exchange.
Col. 1 to nearest film; Cols. 3 & 5 to

nearest penny per share. valuations listed securities are valued at mid-market prices and

Statistics simulated to date shown based on lotest valuations supplied by the companies and mades vallable to The Stock Exchange. In these (f) Cols. 5,11

(e) CoL4

(d) Cols. 6 to 9

(e) Col, 10

unlisted at directors' valuation. All revenue account items are excluded. Based on last declared dividend or firm forecast, plus tax credit, to nearest 0.1 per cent.

Percentages of total assets less cur-rent liabilities. Currency balances are allocated to the relevant geo-The gearing factor indicates the

the graining minor indicates the percentage amount by which the net asset value per share would rise if the value of the equity assets increased by 100 per cent. Further explanation is given in the booklet Investment Trusts today. Prior charges and preference share capital deducted at market value; convertible stocks deemed to be converted, warrants treated as not energised.

INDICES OF FIVE YEAR TOTAL RETURN

General Trust Average FT. - Actuaries All Share *Standard & Poors Composite

*Adjusted for exchange rate changes.

Figures supplied by AITU Statistics Service, to occurest one per cent. A full description of the information shown in this column is given in the Investment. Trust. Year. Book. In summary, the figures show the percentage changes in the net asset values over the period assuming that dividends paid, excluding tax credit, were reinvested in the underlying assets of the company.

178 208

89

XPLANATORY NOTES

se of total return statistics and care to interpretation The total return statistic which adjusts the net asset values for dividends, excluding tax credit, distributed during the period, enables companies with substantially different capital growth and dividend policies to be more fairly outpared. A period of five years provides a good indication of trends and, in normal creamstances, should cover a traditional bull and bear market in the major stock

Each total return figure is indexed from 0 base of 100 at the commencement of the period and records the movement between two particular dates. Any particular total return figure may thus be affected by exceptional factors, operative at either the base size or at the final date, which were influencing the stock market generally or a sector of the market in which the company was interested. The geographical instribution of a particular company's portfolio and whether it has changed its investment policy should be considered in assessing its relative performance.

While the total return statistic, if used with care, provides a valuable guide to past

movement with other investment media, it should always be borne in mind that past performance is not necessarily a guide to future achievement.

The total return statistic for split capital trusts is not comparable with that for other companies because of the difference in capital structure. The split capital trusts have therefore been identified in the Table and are not included in the General

Calculation of NAV In order to swid a plethors of figures and to facilitate comparability, the statistics of net asset value have been calculated on a uniform basis which may, in the case of a particular company, differ from the corresponding figures in its Annual Report and Accounts.

The net asset value is calculated on the "going concern" basis, ie with prior charges aducted at market value, as it is believed that this basis is the most widely accepted

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If you are an investment advisor, please indicate your profession:

stockbroker accountant accountant insurance broker benker (please tick as appropriate)

Lords and Manors

BY JUNE FIELD

IF YOU FANCY being a lord of the manor, then there are various lordships on the market a man from Michigan has just bought himself a Scottish

Lordships do oot confer the right to affix a title to your name, but the fortunate Ameri
Lordships do oot confer the and to own foreshores, tolls, markets and other franchises.

Lordships themselves are now can has acquired the feudal courtesy title of Baron Freswick, all its attendant rights and declared the promotion in the American Town who has a statutory responsi-and Country magazine, going on hilling for their safe custody, has Mary Queen of Scots in 1570 and ally be kept in the care of recognised by the English record offices, libraries and Crown. Stretching a point archives. Although they may perbaps was the claim "next not be taken out of the coootry, door to Queen Elizabeth the

originally used of a dwelling of a man of substance although not £2,750 to £5,000 or so. Six sold necessarily a large holding. But to an Austrian, another to necessarily a large holding. Dut eventually it came to denote the self-contained estate in which the demente (domain), was for the lord's private attracting a satisfactory offer. advice on how to buy a manor. send an A5, 204p stamped addressed envelope to Mr Robert Smith, The Manorial Society of Great Britain, 65 Belmont Hill, London SE13.)

Lordships of the manor date and privileges in return for seals. loyal service. They were deve-Joped by William the Conqueror

The system survived notil 1926 when the tenancies granted Glandford, Wivertoo Braochail by lords of the manor over some and Wiverton Briggs all in Nornine centuries were made ioto freeholds in the hands of the tenaots. So the lord of the Raymond A. Koappett. Strutt retired gracefully and quietly manor, who held his title direct from the Crown, was also deprived of most of his accient rights and privileges, such as being allowed to appoint the parson to the benefice (advow-soo), to escheat—the right to appropriate property where the owner died Intestate and without heirs, as well as droit de seigneur, uoder which the lord

Some less exciting advantages still survive, such as the income from wayleaves in respect of at the moment, both with and telegraph, telephone and elec-without a house or land. And tricity poles; sporting rights a man from Michigan has just over the commons, greens and wastes; the right to cut turf and timber, to extract minerals

usually just a bundle of rather splendid old documents, genertogether with the castle huilt on ally court books, wills, indecthe ancient Viking settlement, tores, conveyances, manuscripts near Wick, Caithness, on the and so on their value depending road to John O'Groats. "Awarded mainly on age and oumber. And by King Robert the Bruce with as these documents are of such historic value and often very fragile, the Master of the Rolls, to say that it was affirmed by decreed that they should norma foreign national can buy them. Queen Mother." Her castle of Last autumo Strutt and Par-Mey is quite a bit further round ker sold 14 lordships of the Lowards Dunnet Head.

The term manor, from the ranging from £2,600 to £6,200.

French manore and from the Just recently, seven lordships Lain monere to remain, was were offered by private treaty at prices ranging from around

before she hecame Queen. Going back to 1659, there are marriage settlements, mortgages, pur-chase agreements and a large back to Saxon times, stemming from the manorial system of Marquis of Huotley of the Ortun granting land and certain rights

Estates 1868, with stamps and

These documents will be offered again next month with Ditton Camoys, Cambridgeshire, folk. The price guides are from £3,500 to £4,750. Details Mr and Parker, Tindal House, Tindul Square, Chelmsford, CM1 1HJ (0245 84684),

A lordship with 130 acres of Stedbam Common, West Sussex, is for sale through Knight Castle, Kenton, Exeter, home of Frank and Rutley's Hanover his direct descendant the Square, W1, office on a hase Countess of Devon) includes a figure of £25,000. Or an offer for letter dated November 5, 1817 the lordship documents 1742- written by Bligh from the 1876 alone will be considered, manor to his epilectic daughter



sale. Savills' Banbury office sold Knowle Hall and the Knowle manor lordship, Solihull, West Midlaods, last mooth at auction and the result was £245,500 mm a price guide of £140,000, even though the place was in need of restoration.

The Wood Hall Estate, 348 acres at Arkesdoo near Saf-fron Waldon, Suffolk, first recognised as a manor as early as 1362, bas three inrdships included with the 17th century residence, stable and coach This lordship is of considerable historic interest, having heeo held by a number of ooble families including Elizabeth. Mr Charles Bailey, John German Ralph Pay, 127, Mount Street, Londno, W1, and Rnbert Arnold and Partners, 55, Regent Street, Cambridge, CB2 1AB. By virtue of their age, most

manors have intriguing associations, even without a lordship, and the Manor House, Farning bam, Kent is no exception. Sir lrving Albery, twice Lord Mayor of London in the 1930s, and set out in the Domesday a fresh crop of lordships—for lived in the 18th-century house; Book which was completed in the manors of Colne, and Cret. and Vice-Admiral of the Blue about 1086. notoriety made it his home for the last five years of his life, Gavin Kennedy in Bligh (Duckworth 1978) observing: "Like many another old soldier he . . . 10 an imposing manor house."

The exhibition, William Bligh Extraordinary Seaman (until Seplember 23 at Powderham

15 acres with three cottages, mate" of £3.5m. Less than an pool. swimming pool and stabling is hours drive from London via for sale at about £300,000 by the M4 or M40, the estate runs Mr Eric Crabtree, deputy chair- into Hambledon Valley encomman at Debenhams and chair- passing the old villages of man of Harvey Nicholls and Fingest, Turville and Ibstone. Hardy Amies. Brochare from Mr Christopher Chetwynde, Knight Frank and Rutley, 20 Hsnover Square, W1. (Bligh exhibits catalogue £2 from Powderham Castle.)

Chequers Manor in over 1,500 acres in beoutiful Chiltern

For 27 years the Buckinghamshire home of industrialist Sir David Brown who went to live in Monte Carlo four years ago, the property is being sold by David Bown Estates. Included in the sale are the Manor, the the area, called extremely half-timbered Penley Grange at lightly. Details from Mr G. L. had the right to appropriate or even parts of the common. Ann. A month later he died of countryside, habitat of wild Cadmore End. 15 cottages and Kendali, Raffety Buckland, 30 any village maiden in his lord-ship with actual bricks cancer at his London home.

Alordship with actual bricks cancer at his London home. The listed Grade II five-bed butterfly, goes to auction in the stabling for 22 polo ponces, two Bucks (Tel: 0494 21234).

room, four-hathroom house in autumn on a "cantious esti- tennis courts and a swimming The Chequers Manor Shoot &

believed to have been the

dery of the Knights

run for what estate manager Mr Tony Maeer calls "the purist shot, the sportman who appre Accordingly they quantity rear 2,500 birds a year to sup-ply the high-driven birds for which the shoot is renowned. There is also a large population of faillow deer indigenous to Kendali, Raffety Buckland, 30

'To Pay'. labels

BY JAMES MACKAY

WITH LITTLE of the customany fanfare that greets new stamp issues, the British Post Office slipped a series into circulation on June 9. They are not on sale over the counter in the usual manner, although they are available from the growing number—now more than 50—of philatelic counters and can be purchased from the Philatelic Burean in Edinburgh in a pre-sentation pack costing £9.40. No First Day covers or special post-marks were provided and the stamps will only studually make their appearance and then only on mail which is unpaid, or underpaid, or on parcels which attract the attention of HM Customs and Excise.

The stamps are not stamps in The stamps are not stamps in the strict aense at all but to pay "labets. The words "To Pay" form the dominant feature of the uniform design in a new typeface with a shaded background. The Post Office decided that a restyle of the labets was needed to bring them into line with current postal into line with current postal charges—an argument which seems strange considering that the original series of postage due stamps was quite adequate for more than half e century and was only scrapped in 1971 on the advent of decimal currency.

The new series ranges from in 15, covering the same range as the series it replaces. There would be e-more cogent argument for abandoning the Machin definitive series, which now amounts to 74 different stamps on a simplified basis. In endeavouring to match each increase in postal rates with a change of colours, the Post-Office has been forced to reintroduce colours used for lower values in the 1970s.

I suspect that the Post Office, ever-mindful of the revenue to be derived from collectors, has been keeping a close watch on what its rivals in other parts of the British Isles are up to.
The Isle of Man is introducing a new series of "to pay "lahels on October 5, replacing a series which has been current since 1075. The Isle of Man formed. 1975. The Isle of Man adopted its own labels in July 1973, on becoming postally independent. This series hore the date in the margin helow the design and: when stocks rapidly ran out a reprint was issued with the suffix A after the date. Today a set of the originals costs about £40, compared with about £12 for the "A" repnints—x situation which has encouraged techniques, unscrupulous individuals to accompany

repriets 25 originals. Perhan this induced the Manx Postal Anthority to issue an entirely new series two years later. This is still freely available at the issue price and also comes in a presentation pack.

The Channel Islands issued their own postage due labels in October 1969 when they set up their own postal administra-tion. From the outset Guernsey adopted a pictorial approach with a set of seven from id to a shilling, featuring Captle Cornet, These stamps seem to have been generally neglected by collectors until they were superceded by a decimal cur-rency series in 1971. Today the presentation pack contain-ing the original fad stamps in catalogued at £30, compared with a mere £2.25 for the decimal set. Guernsey issued a third set in 1977 in a larger format depicting a view of St-Peter Port.

Guernsey introduced an entirely new series on July 13. comprising 12 values from ip to fl. The labels have been lithographed by the House of Questa and each features a different view of scenery in the ballwick.

Not to be outdone, Jersey is introducing a new series of postage dues on September 7.

Like Guernsey, Jersey has gone
for a frankly pictorial approach,
the 14 labels depicting new
views on the harbours, jettles,
and piers of the island. This
follows the pattern of the previous series. At first Jersey had labels of a prosaic design emphasising the value, the only concession to picorialism being a map of the island on the shilling denominations. Not surprisingly, this set was neglected by collectors at the time and now retails at around

Postage due labels were ploneered by France in 1859 and she is one of the few countries to use them to hits day. France, Andorra and a few countries of the French Community — notably Congo, Comoro and Gabon — favour attractive motifs of flowers or butterflies .

'No collector specialising in the stamps of one country can afford to ignore them. Since they are issued by only about 50 countries worldwide and are changed at infrequent intervals they form a reasonably compact group which is not subject to the usual high pressure sales techniques which all too often erase the suffix and offer the stamps these days.

By direction of The Viscount Ingleby

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LEISURE

Istanbul and a sentimental journey

So one May morning I boarded a Boeing 707 and headed for Istanbul. When venturing into the unknown I always like to start off with a modicum of comfort. So I booked a room at the Pera Pelas Hotel which, like the Kempinski in Berlin and the Ritz in London, is part of travelling

Built in 1892 to serve the passengers of the Orient Express, the hotel retains a solid but somewhat seedy magnificence. The splendid birdcage lift is a delight on its

Ataturk, founder of modern Turkey, stayed there in his political dog-days in the 1920s, and I stayed in room 411 which was always reserved for Agatha Christie: According to the Pera Palas brochure, she wrote "The Murder of Orient Express (sic) in the hotel.

The furniture in the room was certainly original, but the view from the balcony, taking in a wida sweep of the city and tha Bosphorus, not forgetting a huga union flag flying from the nearby British consulate, was breathtaking.

The botel is not cheap by Turkish standards, at around £30 a night for a double room, including traditional breakfast of tea, bread, goat's cheese, olives and jam. But it certainly Bosphorous sets right the atmosphere for be believed. the first dip into this fascinating and mysterious city. In other parts of Turkey I was to find that it was possible to stay at a pansion (sic), with its own balcony, shower and loo for less than £3 a night for two.

A good modern motel on Turkey's Mediterranean coast, for those seeking a little extra comfort, will charge around £7 a night for a double room with breakfast. Those feeling that coffee is the nnly thing to start them off for the day are advised to bring their own. Because of Turkey's economic difficulties, coffee has just started to be imported again after three years, and is therefore bard to find and expensive: -

For visitors eschewing package tours, there is no shortage of places to eat serving good

CHESS

LEONARD BARDEN

NIGEL SHORT'S tied first place

et the Ohra Insurance murna-

ment in Amsterdam last week-

end puts him in the rare company of Bobby Fischer and

Gary Kasparov as the only

players ever to win a major

grandmaster strength inter-

national at age 17 or younger.

Short tied with the Czech GM

Hort, each totalling 7 out of 9. The British junior began quietly and in early rounds lost to Hort while drawing with

Miles and Sosonko; but be came through at the end with four successive wins, displaying no

signs of nerves or besitation at

his historic achievement. Short surpassed the grand-master norm by balf a point.

and here, too, he has a place in a super-elite. Fischer became a GM at 15 when he qualified for the world championship candidetes: Kasparov had GM results at Vrojacka Banja and

Baku in 1979-80, though his title was only ratified later when he

Under FIDE (International

Chess Federation) rules, three

tournament norms quality for

ject to a 24-game minimum.

Short is now tha bot favourite

to win the junior world cham-pionship for players under 20

in Copenhagen next month, and

outright victory there would count es his second GM norm.

Including Copenhagen, he bas

the GM title, or two norms sub-

was nearly 18.

never been there before. The cold sheep's brain salad for the other was that I wanted to visit stronger stomached. The bill the haunted beaches of will come as a pleasant surprisa thousands of others sitting the cold sheep's brain salad for the other was that I wanted to visit stronger stomached. The bill the haunted beaches of will come as a pleasant surprisa thousands of others sitting the cold sheep's brain salad for the other sitting the cold sheep's brain salad for the other sitting the cold sheep's brain salad for the other salad sheep's brain salad shee thousands of others either lived a substantial repast including or died in 1915. bottle of very drinkable Turkish wine.

Istmoul, with one foot in is probably one of the last truly fascinating cities left worth more than an overnight stop. It has its Histons, Intercontine tels and Sheratons, of course, for those who are accustomed to the high-life. But they do not intrude on this landscape

Ona can visit the Topkapi Palace, the old residence of the Ottoman sultans, the Blue Mosque, the covered bazaar of Kapali Carsi, and a thousand

TRAVEL

IAN DUNNING

other piaces which bring to life the days of the Ottoman Empire. One can sit on a Sunday morning in a small restraunt floating on a pontoon under the Galata bridge, enjoying a lobster, and watch the occupants of dozens of small boats bobbing up and down nn the water fishing for their supper. Later in the day, the light over Bosphorous has to be seen to

After three days in Istanbul, it was time to undertake my pilgrimage to a battlefield which receives fewer and fewer visitnrs eech year as even the youngest survivors are now in their

Unlike France, which was close to bome, and where the rumble of distant guns could be heard in the southern coastal resorts of Britain, Gallipoli could bave heen as far away as the moon. Churchill conceived the operation, and the failure of the campaign cast a shadow over his political career throughout the inter-war years. The plan, narrowest part of the in short, for those who bave Dardanelles in take a bed for probably forgotten, was to force the night in Canakkale. There a supply link through Turkey in is an agency there which offers our then Russian allies whn tours to the Gallipoli beaches were fighting the Germans on when there are enough visitous the eastern Front.

ground four months to complete

the title requirements in time to have his GM award ratified

at the FIDE congress in Novem-

ber. If he does, be will out-

speed Kasparov and become the youngest grandmaster since Fischer. Recently Short de-

cided in leeve school and A-

level studies and play full time:

"chess comes first." The world-wide interest in a new Western

hope to take on the Russians

will ensure that he has more

chances to confirm his GM

Leading totals et Amsterdam

(USSR),

status in the next few months.

Ohre were Hort (Czech) and Short (England) 7 out of 9, Sosonko (Holland) 6, Ree (HoHand) 6, Miles (England).

Pliester and van Wijgerden (all

Grunfeld (Israel) and Kuligow-

impatience. In this game he probes patiently, retreats when necessary, but takes his chance

WHITE: J. van de Wiel

(Holland).

Opening: French Defence

(Ohra Amsterdam 1982)

when his opponent mis-

(Holland) 31.

calculates



The small Gallipoli War Museaum at Alcitepe

Austria Hungary, and the I arrived.

Turkish army was in fact com— To achieve my objective, I manded by e brilliant German—hired a taxi which was ferried military strategist. General back across the stratts to the Laman von Sanders. In fairness, peninsular. The sun shone to Churchill; there is a majority of opinion today that accepts that his idea was right even if the execution of the operation was wrong.

Unless one bas a car, the only way to the Gallipoli Peninsular is by coach, and this takes at east six-and-a-balf hours to wind itself through e landscape now fertile with a myriad of trees. grain and wild flowers, now: rugged with sandy cliffs and outcrops of rock.

Ataturk stayed there in his political dog-days and I stayed in room 411 which was always reserved for Agatha

Christie. According to the hotel she wrote "The Murder of the Orient Express " (sic) in the hotel'.

Arriving at Eceabat, near the tip of the Gallipoli Peninsular, one takes a ferry across the

Q-K1; 13 P-KB4 berricading the

11 . . . N-B3; 12 P-QR3, B-Q2; 13 P-QN4, P-QR3; 14 B-N2,

B-B5: 15 Q-N3, Q-R4: 16 P-R3, R-R1: 17 QR-K1, Q-N3; 18 B-Q3.

Q-R4; 19 Q-Q1, QR-QI; 20 N-K5.

better 20 P-B5.

P-B4, N-K2; 27 K-R2?

centre against counterplay.

Turkey had entered the war make up a party. There were lance inscribed there — the unit not enough visitors on the day my father commanded. He was I arrived. beaches, and one of the last to

back across the straits to the Flag left on the beaches. It is peninsular. The sun shone now in the RAMC museum at from a cloudless sky, and poppies and other wild flowers bloomed in profusion. But there was a strange keneliness about the place which seemed to have little to do with the atmost total lack of people. Passing through the village

of Alcitepe, we stopped at the small privately-owned Gallipoli War Museum. It was bere, more than anywhere else, that the horrors of 1915 came into perspective. One cabinet in the dimly lit interior contained the skull of an unknown Eng-lish soldier in which a hall of shrapnel was firmly embedded. Around it lay particles of shattered bones from other limbs. Another cabinet contained the keepsakes and good luck charms given by loved ones, some probably still alive, which were given in the hopes of warding nff the inevitable.

of the Trojan Wars. It was beautiful and interesting, buf Even today, when the winter winds whip up the seas around somehow too far removed in the landing beaches, human bones and other paraphernalia of war are still washed up on to history for one to feel the the sands.

My next port of call was Cape Helles, which is dominated by the British war memorial with its perimeter walls containing the names of all the units which fought in the erea.

It came, strangely, as a slight shock to see the name of the -not often these days-to Second Lowland Field Ambu-

P-KR4 is essectial.

Short is holding his game pawn front, but more convinc-ing is 11 P-KN3, N-B3; 12 N-R4, threats (together by long-distance threats (27 BxKP? B-N4) and White misses a counter-blow. 27

> 27 . . . P-KN4! (winning a pawn or forcing favourable exchanges); 28 BxP, B-N4; 29 B-B7, RxB; 30 P-K6 dls ch; R-N2; 31 PxP, K-N1; 32 BxR, BxR: 33 R-B7, BxKNP.
> The battle is over, White is:

Relying on greater space. White underestimates Short's piece down. 34 B-B3, RxN; 35 R-N7 ch histops on an open board; 20 . QxQ; 21 NxQ, PxP; 22 BxBP, NxN; 23 PxN, N-N1; 24 PN3, B-Q7; 25 R-K2, B-B3; 28 K-B1; 36 RxB, B-B5; 37 R-KR5, BxP; 38 RxP, R-QB8; 39 B-Q4, N-B4; 40 B-B5 cb, K-N1; 41 R-R5,

B-Q4; 42 Resigns.

POSITION No. 433



Vidunar v. Capablanca, San BLACK: N. D. Short (England). Sebastian 1911. A first-class chess tactician shows his skill in defence as well as attack. Here 1 P.K4. P.K3; 2 P.Q4, P.Q4; 3 N.Q2, N.Q33; 4 KN-B3, N-B3; 5 P.K5, KN Q2; 6 B-K2, P-B3 Capablanca (Black, to move) needed only a draw to win the tournament, but his position (P-QN3 is possibly better); 7 PxP, QxP; 8 N-B1, B-Q3; 9 N-K3, O-Q; 10 O-Q, Q-N3; 11 P-B4. looks uncomfortable due to Whita's threatened N-Q6. Capa found the only effective defence,

four moves deep; can you do as

PROBLEM No. 433 BLACK(2 men)

White mates in four moves against any defence. The solution to this picturesque puzzle is hard to visualise from the diagram, and it is an achieve ment to crack it without recourse to board and men. Solutions Page 12

BRIDGE E. P. C. COTTER

WE START with a deal from a rubber of very fair standard:

OAK 10965

A 7 4
With East-West vulnerable. North dealt and opened the bldding with one diamond, and thought of saying three clubs, a returned, South wins in hand, followed, South cashed King trial bid expressing willingness ruffs a club in dummy, draws and Queen of diamonds, on to proceed further, but leaving trumps, end runs the diamond which East petered with the the decision to his partner. Knave; if a club is returned, eight and three. A third

However, he changed his mind, South plays on the same lines. and jumped to four spades, which became the final contract. West chose the attacking lead

of the five of clubs. East produced the Knave, and declarer won with his Ace. At the second trick a club was ruffed on the table, the diamond Ace was cashed, and trumps were drawn in three rounds. When South led the diamond Knave, West showed out, and the Queen won. • 6 5 2 showed out, and the Queen won.

To make the position clear in his partner, East returned the nine of clubs, West overtook with the ten, and switched to the three of hearts, allowing East to make two tricks and defeat the contract.

A little more thought at the first trick would have shown the declarer that his line of play could not succeed unless the heart Ace was favourably placed in West's hand, and that all raise to three no trumps con-problems could be resolved by cluded the brief suction. the simple expedient of allowwith the opponents silent, South ing East's club Knave to hold East dropped the seven, and replied with one spade, and the first trick. This leaves the declarer allowed it to win. North raised to two. South defence helpless. If a trump is

Sooth was too mean to render unto Caesar tha things that were Caesar's. The second example comes from a teams-of-four match:

Q J 10 3

East dealt at a love score end passed. South opened with two no trumps, a bid for which be is maximum, and North's and cash his two diamond

West led the heart Queen, Taking the heart Knave, which

diamond was taken by West and another beart forced declarer's last honour. Hoping to find one defender with Ace doubleton in the suit, Sonth cashed Queen and Knave of spades, but East withheld the Ace until the third round. He then undid all the good work which be and his partner had done by returning a heart, and endplaying his partner, who had to lead into

South's major tenance in Clubs. "Thank you for that heart return," said West bitterly, "couldn't you lead a club and let me make my King? If I haven't got if, the contract is

East was not the only sinner. Declarer should have paid more attention to East's heart seven. He must win the opening lead honours. East peters - that means West has the Ace, He leads a spade to the King and Ace. East returns the beart two, South wins, and West's nine confirms the 44 break in the sint. After cashing three spades. return, and saves East from bis

Cars out of the rut

JAPANESE cars-aren't they all pretty much the same? Full of extras, keenly priced but completely lacking in character? This comment is heard less nowadays than a year or two ago, but even then it was not really true. Hondas and Subarus have always been out of the rut, though it might have been difficult in the mid-1970s to rememher if the car you were driving was e Datsun Sunny, Toyota Corolla, Mazda 616 or Colt Lancer.

But two Japanese models I tried recently within a week or two of one another were at opposite ends of the antomotive spectrum. All they had in common were their prices (identical) and their equipment, which was so lavish that even an accessory fanatic would bave been hard put to it to find space for anything to add.

The Daihatsu Charmant 1600 LE antomatic and the Mazda 1500 GT are both listed at exactly £5,399. (I'm cheating a little about the pricing because the Charmant I drove was the manual, which is £300 cheaper than the two-pedal version et £5,099). The Charmant is an entirely

traditional saloon—some might

MOTORING

STUART MARSHALL

reckon it almost old fashioned —though in the nicest way. Imagine e Toyota Vanden Plas; or perhaps a Triumph Dolomite if BL had decided to continue with its development instead of replacing it with the Honda-based Acclaim.

In profile, it looks something like a Vauxhall Cavalier but it has rear, not front-wheel drive and non-independent rear suspension. The engine is a 1.6 litre four-cylinder turning out 74 horsepower at a modest 5,400 rpm. It is silk-smooth, noisy only when taken up to unrealistic speeds in the gears but not particularly frugal, Gearing is low; less than 20 mpb per 1,000 rpm in fifth, which is far from being e 1982style economy overdrive.





Driven with decorum and not too much dash, the Charmant will return around 30 mpg for a mixed bag of motorway, city centre and country motoring. There is a 1.3 litre version at £4,249 or £4,999 according to equipment which is more fuel efficient. The 1.6 car 1 drove has recirculating hall steering, which is light for parking and still satisfactorily precise. The 1.3 litre car bas rack and pinion

Despite its low gearing, the 1.6 Charmant hums along the motorway at a businessman's cruising speed with a noise level low enough for the standard three-bend radio to be enjoyed. It is elegantly furnished in a velour type of cloth and the fascie and door trims are carefully colour metched. The well-located, coilsprung rear axle and MacPherson strut front suspension give pleasant ride. A sporting driver wouldn't buy e Charment but I though it felt satisfactorily tidy even when pushed

along vigorously. The Mazda 323, which is a Ford Escort's first cousin though not an identical twin, is e front-drive, all-independently suspended three or five-door betchback. Its hottest version, which might loosely be considered a rival to the Escort XR3, is the 1500GT, with a bigh-compression, 85 bhp at 6.000 revs per minute variant of the suproof.

1.5 litre overhead camshaft engine. It has e five-speed manual gearbox, a top speed of just over 100 mph and, for those with a feather foot, a constant 56 mph consumption of 53.3 mpg, which is the hest of all the Mazda 323 range regardless of engine size.

But, realistically, few people buy the bottest model in a range with the intention of squeezing the last mile out of each gallon. The attraction of the 1500GT is its performance, which is very lively. Driven with enjoyment, not economy. in mind, it soars up to 6,000 rpm cagerly in the gears, exceeding 60 mph in third and 85 in fourth.

The mam snag with the 1500GT, as is so often the case with the fastest model in what is basicelly a range of modestlypriced fareily car, is noise and

Uoless a six-footer reclines his seat backrest, there isn't much headroom and 1 found the all-black (well, bleck and dark grey) interior appressively sombre. But the adjustable steering wheel helps you to get comfortable and I found leg length more than enough. It bas all the usual extras-rear wasb/wipe, digital clock, tinted glass and interior batchback release-and an unusuel oog. an electrically operated steel

TRAVEL

leave, carrying the only Union

now in the RAMC museum at

Aldershot. But he lived on to

suffer the battles in France

received several awards for

gallantry, and died comfortably in his bed at a ripe old aga.

Many of his men were less

Before leaving the area 1

walked along the now empty

beaches of Cape Helles, past

little graveyard so carefully tended, and climbed the cliffs

to the almost intact Turkisb gun

the way I picked two shell

and before taking the coach back

to Istanbul for a flight down to

Antalya to catch the sun on the

Mediterranean coast, I took a

sbort trip to the more ancient

battlefield of Troy, where the legeodary Schliemann unco-

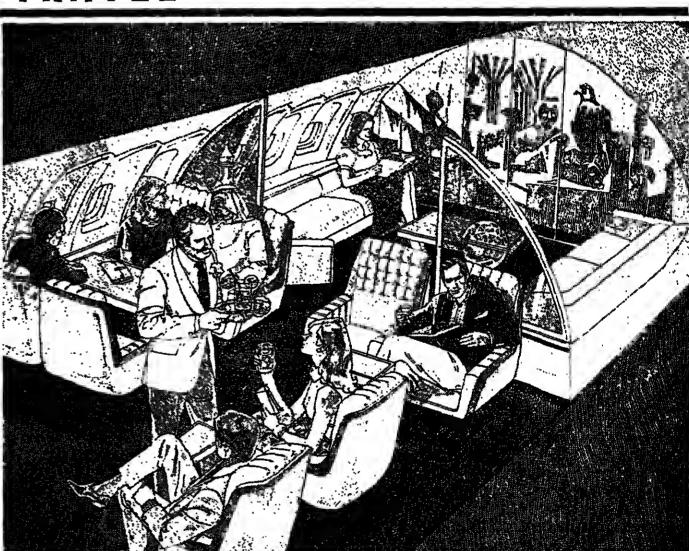
vered the citadel that was

believed to be the centre-point

After returning to Canakkale,

emplacement on the top.

splinters from the cliff face.



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MOTOR CARS

Barthology

BY GEOFFREY MOORE

y John Barth. Secker and Warpurg. £7.50. 366 pages

In the United States, since if novelists has grown up which lineal descendant of the author sty. Apart from Vonnegut, Sesey and Brautigan, there are

addis and Pynchon there is lawkes and—most academic of il—John Barth, Alumni Centenrial Professor at the Jobn Hop-gins University, Bakimore. Atthough he had published two acvels in the 1950s, it was The Sof-Weed Factor in 1960 which hade his reputation: and it is spical of his antic and erudite tyle that its setting should be in eighteenth century.

The mood of Tristram Shandy ooms large, but it is of course repost-modernist Shandy with shich we have to deal. It should riso be remembered that Americans have in their native radition the phenomenon of Voby-Dick which, Charles Charles Feidelson asserted, had anticipated the modernist experiments of the Europeans by aearly 70 years. All of which s to say that the kind of writing we are faced with in Barth may well he felt in the heart and along the transatlactic blood more than seems possible io our relatively down-to-earth and phlegmatic society.

The latest Barth novel, Sob- continue through the next two the very element of technical actical, concerns young Asso- sections: a long account, attri- play in which this talented

Crossroads: The Drama

of a Soap Opera by Dorothy Hobson, Methaen.

. What is it that makes Cross-

the most extraordinary events

heap chaotically on top of each

ciate Professor Susan Rachel Allan Seckler and ther husband, Ferwick Scott Key Turner a 50year-old ex-C.I.A. officer. "Blackeved Susan" (the Maryland State flower, by the way) is said Gypsy, and possibly related to he Second World War, a school Edgar Allan Poe; Fenwick is a s dedicated to play and virtuo of "The Star-Spangled Banner." It is he who tells the story of their nine-month sabbatical cruise from Chesapeake Bay to boat which, after Poe Key and the uncharted, ominous Wye Island which they dscover, is called the Pokey, Wye I.

> method that, hy the third page, he should break up his story to present us with "A Dialogue on Diction," in which Susan refers knowingly to The refers knowingly to Poetics and King Lear. only is the style arch embarrassingly intimate, but it is laden with special meanings. There are many such asides in the novel - for all the world like the technique of the Tom Jones film. One relates the story of Fenwick's beloved Basque heret, acquired during his former marriage to Marilyn Marsh. Another, set off by an attempt to get in touch with Susan's sister, Miriam, is the excuse for a profoundly shocking account of her multiple rape some years before.

It is typical of Barth's

These stories within a story

soap opera, it is probably

communicators in the British

rocds the most maligned promedla—outstripping the perenially undergoes, maintains from the levision? Is it popular press, at least that the derision of Crossroads hecause it has limp scripts quantitatively. And while is often erroneously based. That where episodes drift on week after week with little or no action or, conversely, because it is designed like most of its theories which demand that



American Universities is reviewed today

buted to The Baltimore Sun, of the murder of a CIA official; interpolations on "Narrative Viewpolnt, Selectivity, Advancement of the Action"; on Edgar Allan Poe; on Susan's family, the Secklers, in their hahitat, "the salty, hoozy Felis Point neighbourhood of Baltimore." Towards the end "A Legendary Sea-Monster Swims Through our Story." It's all heady stuff - if you can take

And that is just it. One kind *Tristram Shandy*, you would of reader might well thank say. "But that is not what I Barth for his liveliness and meant at all," and that would hravura, a quality of subtleover-ingenious - experiment which may yet keep the genre alive. Another might feel that

Hobson,

and the crises it

novelist prides himself makes a mockery of the form. If, in other words, you want from the novel a fundamental seriousness, a widening and deepening of your understanding of life —be it in the form of Middlemarch and Wer and Peace, or of Moby-Dick and Ulysses—then Barth is for the birds. Which conclusion would not, 1 am sure, bother our author one little blt. He would probably present you with an inscribed copy of provide material for half-adozen seminars at the John

Geoffrey Moore is editor of "The Penguin Book of Ameri-

More preferable, surely is the viewer's critical faculty drawn from everyday experience and commonsense. Ms Hobson goes

on to say that Crossroads is a

work of contemporary popular art—and an integral part of

popular culture to boot. It is a

sensibly debated and well-written book, which shows clearly the rifts between broad-

casting authorities, critics, the Crossroads production team and

the audience.
The author's view of soap

opera as a whole and Crossroads

in particular, seems appro-

priately summed up in one of the chapter fitles: "Whose Pro-gramme is it Anyway?" After

all, choice is the hallmark-of

our consumer society.

Hopkins University.

Aunt Enid

BY RACHEL BILLINGTON

by Sheila Ray. André Deutsch, £10.95. 246 pages

In 1942 Enid Blyton published 22 new works. This was the space of 420 words. They object crest of her writing wave, to her content and attitudes, although publication and popu- accusing her of snobbery and larity continue to this day. In racism. 1980 she was named along with in The Guardian, reacted with Roald Dahl as one of the two most read authors in a survey among first year pupils in two is unloved by his mistress until comprehensive schools. A ran- he finds "magic rain" to wash dom check of any popular the black from his face, outlet for hooks (which may These attacks origin. exclude bookshops) shows her selling-power more clearly still. The vast growth of the paper-back market has been to her advantage. Now children, always her faithful fans, can afford to buy her for them-

Her extraordinary success, like many success stories, was due to luck as well as talent. Her higgest creative output came during the war years when the shortage of paper and therefore books meant she had little competition. During the years 1940 to 1944 she averaged 164 books a year — though some were very short. This put her in a strong position in the late 1940s and 1950s when more paper became available.

As Sheila Ray points out, she also invented a market for the young teenage reader who wanted something more up to date than Charlotte M. Yonge or Rider Haggard, the books of his father and grandfather, hut who was not yet into the modern favourites, D. H. Lawrence or Virginia Woolf. There was a place for a new kind of children's book which she filled with the Famous Five and ever-proliferating adventure

It was this prolific output that did most to damage Emid Blyton's acceptability in serious literary circles. A child could start on Noddy at the age of three and never see beyond the Blyton horizon for the next decade. The librarians, a highminded group with no particular guidelines, had to decide how many to put on their shelves, bearing in mind that demand (and supply) was unlimited. On the whole, there was no vendetta has become the common belief but simply an attempt to control the flood.

Not that Miss Blyton's writing was, and still is, without severe role to play than ever.

BY ZARA STEINER

The Creation of the Anglo-

A study in Competitive

Co-operation

American Alliance 1937-41:

by David Reynolds, Europa Publications, £20.00. 397 pages

In the early stages of the Falkland Islands crisis, much

was heard egain about the "special relationship" with the United States. It is interesting how tenaciously British politi-

cians have clung to this con-cept despite the fact that his-

torians on both sides of the

Atlantic have repeatedly ex-

posed the frailty, if not the illusory character, of the so-called Anglo-American connec-

It is to David Reynolds' credit that in his study of the evolution of the war-time

alliance between Britain and the United States he finds just

the right balance between myth

and reality in describing the

areas of shared and conflicting experiences and interest. The

creation of this partnership was undoubtedly assisted by a com-mon language and heritage;

Churchill's faith in the bonds

of speech and kinship was niti-mately vindicated. Yet there

was nothing inevitable about the alliance and its emergence was marked by an intense riv-

alry for national advantage and post-war leadership. The ex-ternal circumstances of 1941

were possibly as important as the ties of blood and history. It is too often forgotten that until mid-1940 neither govern-

ment sought or expected a close relationship. Chamberlain be-

lieved that he could avoid war;

when it came he thought the Germans would soon come to

see the folly of their ways. He

never under-estimated and did

not wish to pay the imperial

and economic price which an

all-out war would cost. He

wanted America's benevolent

neutrality but not her active

intervention. It was only after

the fall of France that the gov-

eroment, and Churchill in par-

ticular, acknowledged the country's desperate position and

gambled almost everything on

the American card.

Fair-weather pals

critics of its intrinsic value The Blyton Phenomenon They object to her style, citing a limited vocabulary which places emphasis on platitudes In one book Ms Ray counted Lena Jaeger, writing righteous indignation to The These attacks originated in

> energetic and intellig rens' book industry had grown Its members naturally found it extremely frustrating to see so many children diverted There is no doubt that pap. There is no doubt that Miss Blyton had an unequalled gift for finding the child's own level, thus kulling his easily raised suspicions of the adult's wish to improve his mind. Howsaying her books are written as a child would write. On the contrary, children tend to imitate the most pumpous and complicated styles of their elders while Miss Blyton is always admirably simple and

If the gorge rises at the prospect of the Noddy and Big Ears stories, it can be agreeably surprised by The Wishing Chair or The Enchanted Wood or indeed many of her excellent (and morally uplifting in 1930s style) adventure stories, Besides, there is a strong-argument for encouraging the easily assimi-lated book for the needs of the new child reader though this argument does not hold for a child's book which will have the benefit of a mother's voice and a mother's presence.

bad (or less good) drives out very good produces one of those circular, unanswerable debates. If there were no ITV, would BBC1's figures top 15m? If there were no BBC1 would BBC2's figures rise above 1m or 2m? All the reports seem to ahow that those who read Blyton compulsively when young continue to read compulsively (Henry James or Leo Tolstoy) when they're older. With literacy fighting for its life against television, it would seem that Enid Blyton has a bigger

about the necessity of American involvement as to the

strength of the domestic isola-

tionist movements. Until the

outbreak of war, the "realistic Wilsonian" (Reynolds excel-lent description of F.D.R.),

hoped that Britain and France

could deter Hitler; thereafter

he assumed American material

support would be sufficient.

Only with the French defeat did the question of American security arise; hence the presi-

dent's preoccupation with the

future of the British fleet.

- This is one of the first books

to uoderline Roosevelt's doubts

about British survival in the early summer of 1940. It was

August before the president

agreed to the destroyers for-bases deal and even then in-

sisted on safeguards lest Britain

go the way of France. Lend-Lease was a more important

turning-point (though of little

assistance to Britain in 1941

when she was still depending heavily on her own manufacture

of munitions) but it was only a

limited commitment and not the

Again, differing from many

American commentators, Mr

Reynolds argues that even dur-ing 1941 the president sought to avoid a direct involvement in

a declared war. In the Far East as in the Atlantic, Mr Reynolds

believes that Roosevelt was play-

ing for time, trying to deter rather than to provoke the Jap-

anese. Until the actual Japan-ese attack, the President clung

to the hope that by aiding

Britain and Russia and by build-

ing up its fleet and air force, the United States could avoid

the despatch of troops abroad

Given the long years of British

opposition to a new BEF, Roose-

velt's reluctance to back his strong words with deeds may

have dismayed but did not sur-

and complicated story in a-masterly fashion with a real sense of style and a keen eye

for the telling phrase and the

apposite quotation. He has kept his main themes firmly under

control moving easily between London and Washington and

between Europe and the Far

Though he deals primarily

with major events and ectors, Mr Reynolds touches also on

Mr Reynolds tells this dense

prise the anxious British.

one Churchill was seeking.



Public prints

BY JOE ROGALY

Powers of the Press by Martin Walker. Quartet Books, £15.00. 401 pages

Newspapers influence those who believe in their power; the rest of the world finds them useful for lining the space between the carpet underlay and the floorhoards, or protecting crockery in a tea-chest. Martin Walker writes as a believer. consequently he approaches his selection of "The World's Great Newspapers" with solemn respect. We practitioners will therefore benefit from his potted histories of The Times, Le Monde, Die Welt, etc., down the list of a dozen to the Rand

Daily Mail.
The question is, will anyone else benefit? If they do, it will be in spite of Mr Walker's less than wholly lucid style, which occasionally leads him to finish a sentence, or even a paragraph.

with a distant cousin of the thought with which he has hegur. For example:

"I hope to keep the losses down to DM 20m in 1980."

Peter Boenisch promised, with a new editor's confiabout \$100m."

to suggest that in times past major newspapers may have. been influential. The Times may have added a straw to the weight that broke the back of the Kereusky Government, an event that was followed by the ascendancy of the Bolsheviks; Corrière della Sera may have fostered democratic debate in emergent modern Italy; the Washington Post, by disclosure Washington Post, by disclosure newspapers, as against the rather than leading article, seemingly more powerful almost certainly brought President Nixon down. But most debated by reference to other of this is hardly news. What works And, for £15 he should would be helpful would be provide an index.

something a little more ansiytical. The 46-page account of each of his 12 chosen newspapers' coverage of recen events in Iran concludes with the verdict that, as a whole, they were "disappointing," some newspapers found to be "misleading" and all save Le Monde inadequate.

This is a stimulating argu mentative section about a sp fic subject, and Mr Walker mad be doing a service in laying down the challenge that what happened in Iran came as m of a surprise than it should have and that the Western Press must do better if it is to retain its independence. But there are other, equally funda-

mental, matters.
For example, is there a correlation between the fine success of a newspaper and the independence of its editor? If so, which comes first-le does the appointment of an editor with a free hand lead to commercial success, or must the latter precede the former? The evidence from Mr. Walker's vignettes is not drawn together. Peter Boenisch promised; in a manner that facilitates with a new editor's confidence. But the accumulated of editorial staff ascendancy losses of Die Welt in the over the enterprise, as in the case decade of the 1970s totalled of the Monde? Or, is the apparent about \$100m." The book contains evidence papers mostly an illusion? It is

> contains so many non sequiturs I do not wish to be unfair to Mr Walker. Much of the information he provides is, as informa-tion, fascinating It is just that it is not satisfatorily structured. It is also a pity, though perhaps-not one for which the author can be blamed given his choice, of subject, that the question of the present and future influence of medium of television, must be

Striking it rich

BY DAVID PRYCE-JONES

Swans Reflecting Elephants

The sun that shines on Shines also down on me: It's strange that two such

it too.— But where's he now? What.

does he do? James surfaced not long ago in the colour sopplements: he had sold some expensive pictures to finance his hobby of laying out ruins and follies in remotest Mexico, with the help of local

His parents, Mr and Mrs Willie James, were friends of Edward VII's, whom they en-tertained at West Dean, their. magnificent house in Sussex. (It is claimed here that Mrs James was actually fire King's illegitimate daughter.) Willie James was a relation of the novelist Henry James, his fortune was American, and it was worth \$20m when he died, be-

fore the First War. To inherit so much, and more great fun. Everyone was always after him for his money, it appears, and he saw no choice but to pay up and feet bad. His momer's rages called her sanity miserable at prep school and at stary of Kew's origin and Eton. Bouts of solitary sobbing socioment; its royal associational states him. At Oxford at flows, living bouncard collections, he was free to indulge him to self-and cultivate smart triends; science:

[18] The start in the self-and cultivate smart triends; science: brought these two independent self and cultivate smart friends; and sovereign states together. but he felt that none of his am-

by Edward James, edited by George Melly. Weidenfeld and Nicolson, 58.95, 178 pages

simple names Should speil such mystery.

According to John Betjeman, who wrote these kines in Summoned by Bells, Edward James was a notable Oxford aesthete of the 1920s, contributing to the private giggles of a private world. Betjaman continued

Indians. A strange but power-ful recluse seemed to have de-clared himself.

seriously, because he was so Ballet and theatre interest talented people like Balanchine. Kart Well and Brecht, and the

surrealist artists.
What happened when be married Tilly Losch, the beautiful Viennese ballerine who turned actress and star, is the core of the book. Under the high-society gloss lurked lovers and abortions; and fights over possessions, culminating in a divorce kuridly publicised at the

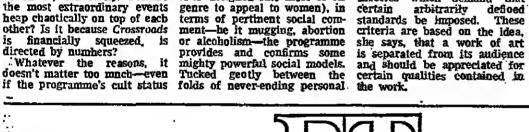
rivate world. Betjeman con-nued:

The air he breathes, I breathe does he do? Perhaps he really was ostracised by society as a result of divorce, as he apparently believes, retreating in the end to the Mexican hingle in order to express his wealth in the form of lonely architectural fantasies. Perhaps he was in confusion about what he might expect to he given by other people. To judge from his book, self-pity seems to have worked vindictive ironies upon what ought to have been the perfect aesthete's life.

Kew: Gardens for Science and Pieasure edited by Nigel Hepper. HMSO Books, 19.95, 195 pages.

the world's most famous still, from uncles, has not been gardens have come together to publish a record worthy of Kew and its Sussex annexe at Wake-hurst Place a delight for specialist and non-specialist

in question. His step father was Beautifully Bustrated with feeddess, his sisters jestous, his photographs from the Gardens' trustees unprotective. He was own tage collection it tells the



Give them what they want by colleen toomey

is derived from not watching and domestic crises at the Mid-

the programme, Crossroads still lands motel are more social

draws 15 million viewers 156 issues than probably any other

one of the most popular minutely dissects the pro-

Dorothy

gramme

times a year. As a formula form of entertainment.

FINANCIAL TIMES CONFERENCES AND SEMINARS

World Financial **Futures**

LONDON: 13, 14 and 15 September, 1982

Unparalleled volatility on foreign exchange and credit markets has made futures trading a subject of vital strategic importance for bankers, investors and corporate treasurers. Timed to precede the opening of the London International Financial Futures Exchange, this major Financial Times programme will consider developments in financial futures markets world-wide and focus attention on the views of the regulators, financial and corporate users.

The eminent panel of speakers includes:

Michael Jenkins Chief Executive, LIFFE

Leo Melamed Special Counsel to the Board. Chicago Mercantile Exchange

Commissioner Susan M. Phillips

Geoffrey Gray Senior Treasury Associate, Occidental Financial Services Inc

Robert McKnew Senior Vice President, Corporate Treasury Division, Continental Bank

J Beresford Packham Vice President and Executive Treasurer, United Brands

The conference will be preceded by an optional one-day training seminar

on hedging, arbitraging and trading techniques. It is based on the trading model prepared for members of LIFFE. This is the first occasion it has been made available to non-members.

World **Financial Futures**



To: Financial Taxes Limited, Conference Organisation, Minster House, Arthur Street London EC4R 9AX Tel: 01-821 1355 Telex: 27347 FTCONF G Cables; FINCONF LONDON Please send me further details on the conference

It was, as David Reynolds' authoritative account makes clear, the Prime Minister's false optimism about the imminence of an American entry into the war which silenced the doubters during the dark summer of 1940. Until Pearl Harboor. Churchill had few cards to play and impatiently waited. The American movement towards Britain was an even more

hesitant and tortuous process. At each stage, the Americans extracted a price, either imme-diate or future; for their sup-In sharp contrast to many American treatments of the subject, Mr Reynolds attributes

those technical issues, economic, financial and strategic, which

united and divided the "weary Titan" and the "emerging giant" The transfer of power and leadership from one to the other was not a simple process. Mr Reynolds has provided an excellent and much needed guide to its complexities as well as a useful reminder that in this critical period it was shared geopolitical and ideological interests rather than some latent cultural unity which

uro Net

at 1 17. 1 1

HOW TO SPEND IT



Putting you in the picture

PHOTOGRAPHY, it seems, is just about our favourite hobby. Three out of every four

adults own a camera and we spent some £555m on photography last year alone. Most

of us seem to be singularly inept at this hobby, though no figures are available to

reveal the numbers of family scenes with cut-off heads, out-of-focus action shots or

pictures of granny showing little more than a distant figure surrounded by what seems

to be cloud. If you are thinking that this is the year when you are going to get it

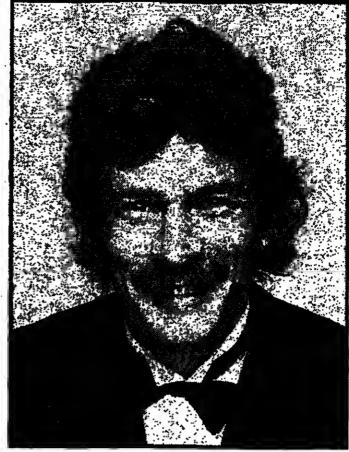
altogether, when your holiday is going to be accorded its due status in the family

album, then the first thing you need to do is to choose the right camera. With this in

mind we asked four experts, all of them working photographers, to give us their very

personal recommendations, in three price brackets, for the amateur photographer.





ALAN RANDALL



TERENCE DONOVAN

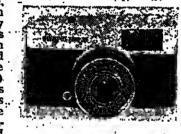
IIIs

TERENCE DONOVAN hardly needs any introduction. There can scarcely be a person in the land who doesn't know his work, who wouldn't recognise his robust frame if they bumped into it in the street. Most people hy now, probably think that he, like David Bailey, comes with an Olympus Trip, as inevitably as Christopher Robin comes with Pooh. However, Donovan (it's a sign of having arrived when, like butlers, you are known by your surname alone). points out that the reason he was to advertise Olympus cameras was because they were already getting so much business through his unsolicited recommendations to friends and colleagues that they opproached him and since then he has become involved in the design process too. UNDER £50

"For boliday snaps you can't beat the Olympus Trip [£44.99]
—one of the few cameras you can just pick up, press the shutter and get a good result." The key thing, in his opinion, is to avoid 110 cameras—"the negatives are too small for sharp pictures and photographs, as a TERRY KIRK is one of our own matter of physics, improve in direct correlation to the size of hold still. I've been a photographer for 25 years, I play indo, don't smoke or drink and even I get fudgy results. So how can a fellow, drunk in Benidorm take a decent shot of his wife with one of them?

"It has to be the Olympus OM10. At £99.99 complete with 50mm fl.8 lens it is a very sophisticated piece of equipment later on it will take all the more expensive Olympus leases. The light meter is extraordinarily accurate. If you eventually decide to graduate to an even more elaborate Olympus camera the lenses you have bought for this one will still be useful." MONEY NO OBJECT

can be fitted with the mos amazing zoom lens sharper than any other lens I've come The flash Rolls-Royce of the business is, I suppose the gold-plated Leica R3." The Leica comes in a limited edition of 1,000 and costs somewhere between £4,000 and £5,000 and can be bought through E. Leitz



Olympus Trip, £44.99, a fixed lens camera, fully automatic with One of the few pocket 35 mm

TERRY

Financial Times photographers. able to turn his hand from a the negative. It's also hard to portrait of Ray Buckton to a moody shot of an early morning market in Abn Dhabl.

UNDER £50

"The Olympus Trip is completely idiot proof and is small enough to fit into any pocket. It is a 35mm fixed lens camera that comes complete with lens. It bas been around for about four years and is far and away the best of the cheap cameras.

UNDER £100

"The Nikon EM at £89.99 with 50 mm fl.8 E leas is fully automatic there is a complete range of interchangeable lens and Nikon offers an excellent back-up service. It is very durable and the lens is far superior Olympus OM2 with a 50 mm to any other at the price. If you 11.8 lens costs £179.99. This want to take action shots you

can get a motor drive facility ALAN RANDALL

MONEY NO OBJECT

"The Nikon F3 is a much

of it, go through the details of

its working in the shop (some

cameras need five adjustments

and you may not have the

that you shouldn't buy a camera

just from the advertisements-

a Ferrari, for instance, looks

great, but it's not until you get

into it that you realise you're

camera, you may not realise until yon've bongh; it that it's a

lot more complicated than

you're prepared to grapple

lens, £89.99. A single lens reflex

camera with a vast range of

who may want to take up, say,

sport or wild-life photography.

ALAN RANDALL is most noted more sophisticated piece of for his TV commercials (the machinery—anybody spending Royal Tournament one is showmoney in this bracket should ing now) and for his soft-focus interior shots in glossy magatake as much care as, say, buying a car. You should look at it carefully, hold it, get the feel

"Spend £5 (or whatever it costs) on an advertisement in the New Standard or your local before you even take a picture evening paper and ask for a of production. It is a clockwork windup 35mm single lens reflex camera with a front that looks like a telephone dial. It has a metal case with a black rubber knob and a clockwork motor. It winds film antomaticsitting on the floor. So with a ally and has a very good quality iens. It takes i-frame exposures so on a 36-roll film you will get 72 exposures, which is very good value. I bought one through Photographer Magazine 18 months ago—I paid £45 and it takes very good family

UNDER £100

Polaroid Camera, SX70 "The beauty of this camera la that you don't send the film away for processing. It has very good colour quality and it gives permanent prints as well. I use it when filming TV commercials and as a record of the day's filming. There is expensive—the advantages are don't it that you don't have to peel off Nikon."

the back or wait for processing. It is all instant."

MONEY NO OBJECT.

"I would suggest that at this level you should go for inter-changeable lenses. Either the Nikon F3 with a 50mm f1.8 lens at £394.99. It is fully electronic, has a manual override and takes the full range of Nikon lenses. It is a 35mm single lens reflex camera and I have found you can hire any accessory for It anywhere in the world. It is a heavier duty camera than the Olympus and I use it all the mine was bought in 1967 and has survived being dropped several times.

Otherwise there is the Olympus OM2 with 50mm fl.8 lens at £179.99. It is also fully automatic and has a unique and revolutionary way of measuring room on the photograph for hight—the meter is activated at captions and other details. The the last possible moment as you disadvantage is that the film is press the button. However, I don't think it is as robust as the

Nikon F3, with a 50 mm fi.8 lens. C394.99. A professional standard camera with probably the widest range of accessories and lenses in

All the prices given here are those quoted to us by Dixons, the photographic chain, this week. However body who really wants to make sure he buys his camera at the lowest possible price should not only compare prices in as large a the many advertisements in the

Camera Club at 8 Great New-

port Street, London WC2

(tel. 01-240 II37). It holds

ene-day £10 courses fer non-

member beginners once or

twice a mouth. You arrive

with your empty camera, are

taught basic principles, how to load it, how to use it and

you take photographs which

are processed during lunch.

photographic magazines.

JOHN SWANNELL

JOHN SWANNELL is a top and beauty photoappeared in all our top glossies as well as on the fashion and beauty pages of most national UNDER £50

"The Olympus Trip at £44.99 gives amazing reliability—any fool can use it and get good

UNDER £100

The Olympus XA2 at £49.99, ohn Swannell thinks is good "It is a compact 35 mm camera which is small, easy to carry, 'automatic and has an optional built-in flash." MONEY NO OBJECT

The Leica Safari comes in a limited edition of 2,000 models and costs £600 without the lens -complete with lens it works out at about £1,000. khaki coloured, looks very original, takes 35 mm film, and can be manual or antomatic. It is very sturdy and of excellent quality. The model is now about primarily hy collectors and pro-fessional photographers." For (tel. Luton 413811).



Leica Safari £600 without lens. This is a precision-built, German: made model, the Rolls-Royce of



Olympus XA2, £49.99 is truly a pocket 35 mm camera (many described as such, need very large pockets), a fixed lens mode with an optional built-in flash.

two years old and is bought contact E. Leitz Instruments,

Do's and don'ts

• Do take the trouble to After lunch you are given learn as much as you can lessons on processing, choosing contacts and printing. If about your camera. You would be surprised at the you think you would like to number of people who do not go along you will have to even read the instructions properly. If you feel you join the walting list - when your name comes to the top would learn more quickly you will be contacted. . with practical lessons you might like to know about The

Don't always have the sun right over your shoulder — the best pictures are nearly always taken in hright light, as opposed to brilliant sunshine. Also seme of the best pictures are taken against the side of the sun.

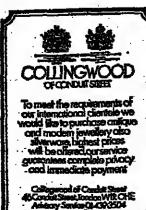
Don't be afraid to move in on your subject — most pictures are taken from too far away. What looks beautiful to the eye (le, a wide sweep of beach) through the lens is just a thin line of

Don't pose groups of people—it always looks false. Take pictures of your nearest and dearest when they do not knew you are at it. Don't listen to people.

wittering on about their best profiles, positions and so en these nearly always result in the worst, stiffest pictures. • Do try te keep the cameral still - tuck your elbows into your chest, pnt your palmi. under the camera to steady it and you have made yourself. into an improvised tripod.

What price 1981 clarets?

Some of the early enthusiasm. that impelled at least one prominent proprietor to suggest that here was another 1961, has diminished; as well it might in view of the intermittent rain during the vintage, of which I was a witness. However, this had followed almost two months of exceptionally fine weather, and the grapes were both ripe and free from rot. No two vintages are alike, but comparisons are being made



are they like? Personally, ing wines, for the most part good. They have existed, at already very agreeable to drink, least in part, because the marseveral important trade tastings were held in London, I have only sampled a handful insufficient of the sampled a handful insufficient to form a few control of the sampled and the sample of t cient to form a firm opinion. to claret drinkers with limited come more so owing to that combut they are deep-coloured wines and obviously well-made. Some of the combust they are deep-coloured wines and obviously well-made.

Owing, however, to the un-usual way in which many of the finer wines have been offered in Bordeaux, this has been a peculiarly difficult vintage for British merchants to buy, and there may be considerable variations in price, though not for the petits chiteaux and the crus bourgeois. The purchase difficulties in

Bordeaux have arisen as a result of some important estates coming out very late with their prices, and then often offering an unusually small part of their crop. Some would only sell their 1981s to those who had either bought the less-good 1980s, or were prepared to do ao now. Bordeaux merchants, with large amounts of unsold 1980s on their books, also imposed conditional sales, while others were reluctant to dispose of the small allocation of soughtafter wines that they had been given initially until they knew what they would have to pay for

the later offers. Such manoeuvres are by no means new in Bordeaux, and were particularly prevalent in the boom of the early 1970s. It



WINE EDMIND PENNING-ROWSELL

of outsiders looking for capital gains and counter-inflation hedges, and not at all concerned to drink the wines.

It was this incursion of investors/speculators outside the was hoped, however, that the trade that was partly responsible

work? Early in the New Year the eve of the French holiday when the quality of the pre- period, when trade ceases for a vious vintage wine can pro- good month. In the days of the visonally be assessed, sound intense Lafite-Mouton-Rothschild ings take place between the nivalry these two châteaux tried more important estates and the to up one another by coming brokers. The former ere greatly out last, but since Mouton concerned to secure as good a joined the first-growth club in price as their neighbours or as those in the sama quality/price

Then from February onwards to April, the more important Bordeaux merchants "on the will receive prices, and possibly specified quantities, from the brokers, who add 2 per cent to the château price. The merchants will then quickly approach their clients in France and abroad having added a profit margin of anything from 5 per cent to 20 per cent, with 10 per cent probably the average in these very competitive

Normally a château will sell aH its wine in two slices (tranches), apart from any quantity kept for personal use and some marginal disposal later on. The second trunche, offered some months later, will probably be dearer than the first though normally not wildly The lesser growers, how-80. ever, will hope to sell promptly much of their wine as

But the first-growths are a

A NUMBER of wine merchants are now offering their customers the 1981 clarets. What dispersion with the 1976, and such a style severe slump that followed had for the boom that ended so law unto themselves. Traditionally dispersion and the severe slump that followed had for the boom that ended so law unto themselves. Traditionally dispersion and the severe slump that followed had for the boom that ended so law unto themselves. Traditionally dispersion and the severe slump that followed had for the boom that ended so law unto themselves. Traditionally dispersion and the severe slump that followed had for the boom that ended so law unto themselves. Traditionally dispersion and the severe slump that followed had for the boom that ended so law unto themselves. Traditionally dispersion and the severe slump that followed had for the boom that ended so law unto themselves. Traditionally dispersion and the severe slump that followed had for the boom that ended so law unto themselves. Traditionally dispersion and the severe slump that followed had for the boom that ended so law unto themselves. Traditionally dispersion and the severe slump that followed had for the boom that ended so law unto themselves. Traditionally dispersion and the severe slump that followed had severe slump that followe 1973 this has diminished.

This year, however, the two Rothschild-owned châteaux surall sorts. prised the market hy coming out first of all, near the beginning of the year. Their prices were identical: FFr 100 a bottle (compared with FFr 83 for the 1980). But the quantities offered were very small, and they announced that a second trunche would be offered in the autumn, with relation to market prices then ruling. Also those merchants who secured some of the first offer had to agree to buy the second one at the going price, which might be double the opening one. After Margaux and Haut-Brion had priced their wines at FFr 125 a bottle. Latour came out fast, at the end of June, at FFr 150; and such was the state of the market that their normal opening quantity of 100 tonneour was sold within the day. It is to be hoped that those who eventually hope to drink some of the 1981

and them priced out of the market as has largely happened with the Burgundy grands crue.

which used to be known chiefly for its fine Austrian enamel work. Recently, however, the owners have been putting to-gether a collection of Art Deco jewellery. Much of it is genuine—there are beautiful broeches, shaped like bows or flowers (in particular, there is the diamante and black jet brooch featured here and a stunning flower brooch, rather like an acanthus leaf), buckles (like the apectacular one

The shop also has a collec-tien of fake Art Deco jewellery -primarily te fill in the gaps and make up numbers, for genuine pieces are obviously limited in number.

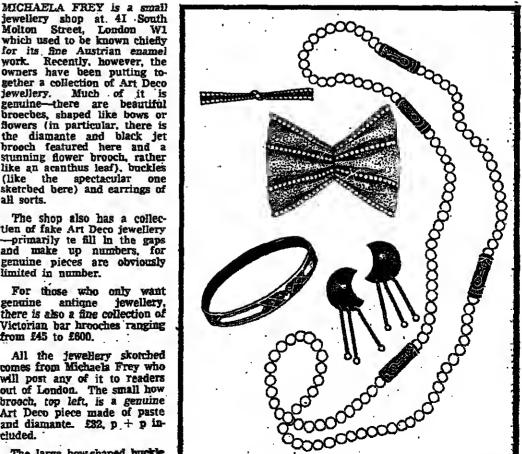
For those who only want genuine antique jewellery, there is also a fine collection of Victorian bar brooches ranging from £45 to £600.

All the jewellery skotched comes from Michaela Frey who will post any of it to readers out of London. The small how brooch, top left, is a genuine Art Deco piece made of paste and diamante. £32, p + p included.

The large bow-shaped buckle below the hrooch is also a genuine plece made somewhere between 1900 and 1920. Again it is made of paste and diamante. £25, including p+p. classed growth clarets will not

The other three pieces in the enamel beads is £35 (p+p 75p). tern screen-printed on it £13.10 sketch are modern but made in The crescent-shaped earnings (p+p 75p).

Period pieces



the Art Deco mood. The string are black enamel and cost £5.50 of pearlised beads interspersed (p+p 50p). The bracelet is (p+p 50p). The bracelet is black enamel with a silver patwith occasional black and silver

ARTS

Royal Ballet School

BY CLEMENT CRISP

annual performance at Covent authority which can only come Garden on Thursday evening began, as is now traditional, with traditional dances. There were the usual pleasures in watching the young hopefuls nipping and tucking through their reels and circles, with the occasional gruff treble urging some change of pattern in a sword-dance, and the usual (for me) sense of desolation at the twanging tedium of the accom-paniment. (They pipe folk-music into the lifts in Hell.) A welcome innovation this year was a suite for 12 sailor-suited senior boys by Erik Bruhn to a brassy score by Morton Gould. It is a light-hearted yet searching display-piece, calling for speed, stamina, quick rhythmic and musical response. The young chaps did well—Bruce Sansom exceptionally elegant in his solos-and working contact with the Apollo of danseurs nobles must be accounted a vital broadening of Royal Ballet School horizons.

The main matter of the evening was the performance of Giselle, staged by Peter Wright in his Peter Farmer-designed version for SWRB. I remain to be persuaded that full-length ballets are suited to apprentice dancers. Too much weight must lie on the young shoulders of the principals, and apart from displaying — as in this instance — a well - drilled corps, the shadows of professional in-

The Royal Ballet School's occasion. Mime lacked the with stage experience; the befeathered complication and lurid orange glow of the cos-tumes extinguished many of the hunting party, though I was im-pressed with the cool charm of . Micbelle Hocking as Bathilde. Dancing was neat, but I was not made to feel, as in the past, that the student artists were already professionals. Brighteyed eagerness shone everywhere through the fabric of the first act.

The evening marked most

promising debuts by Leanne Benjamin and Jonathan Cope as Ciselle and Albrecht Miss Benjamin is small, fine-borred; with a natural and undeniable talent that shows in the gazellelike spring and lightness of her dancing. There is, intriguingly, a suggestion of fantasy, of nervous vitality in her manner which ballering coaching and experience should shape into something vividly communica-tive in the theatre. At present her first act peasant girl is too vivacious, too uncontrolled, though there resulted from the almost hectic energy of her playing a mad-scene lit by flashes of rare excitement. Ciselle's hysteria shockingly real in a sudden outburst of leaps that seemed to wrack her body. In Act 2, where the corps de ballet was admirable in discipline. Miss Benjamln proterpretation loom disquietingly duced dancing huoyed up by nical resource, with clean dances, which he states with Royal Ballet School appears at over the presentation. Imma- her free, airy jump, and beats, good elevation. The welcome prowess. It seems a Sadler's Wells all next week turity was omnipresent on this revealed the first fascinating Loys who plays peasant in the critical rule that apprentice with Giselle and a mixed bill. duced dancing huoyed up by



Leanne Benjamin and Jonathan Cope

a touch of Kirkland's mysterious ease as the will in her dancing. Mr Cope is tall; be has good line and an already secure tech-

signs of individuality: in phy- village scene is a difficult assign- dancers should be "encouraged" signs of individuality. In page scale is signer she somewhat resembles ment for any danseur, but Mr Gelsey Kirkland, and there was Cope makes a decent enough debuts such as these. Miss shot at the character, and in Benjamin and Mr Cope seem to the forest scene he finds the me to be worth more honest. proper Romantic drive for consideration: we can hope for

with uniformly kind words at

It's all in the mind by B. A. YOUNG

For three weeks now I have surgeons be while to do with read by Cyril Linckham and been disterning to a series called these?

From Molecules to Mind (Tues Still in the intellectual world, wouldn't want the books at my days on Radio 3) and I have to confess that I haven't understood more than half of it. Words like dinorphin, encephatin, endorphin, pheramone and hypothalamus. are scattered about the scripts like hurdles down a 110metre track. I don't even know if I've spelt them right, for half of them even't in my dictionary.

You get to recognise them after a bit, and what I've got from these programmes has been both interesting and starming. The possibilities of neurosurgery seem to me as dangerous as they are beneficent. By treating a canary with testosterone, you can make a hen canary sing like a cock. Let the Women's Libbert get hold of end? You can redirect the fibres in a brain so that sound is heard, by the eye, light perceived by the ear. "Within five 40 ten the ear. "Within five to ten' years," said Professor Jack Diamond (ominous name!), "people will have found a trick to make the mammalian. brain regenerate, perhaps even-as well as the lower vertebrate

Professor Diamond was working on barasters rather than humans. One of his discoveries is that if you disconnect half of the optic take of a young hamster, the necessary fibres will connect again, but they may result in the hamster looking to its left when it has a stimulus Albrecht's personality and his fine things from them. The from the right Easy to make dances, which he states with Royal Ballet School appears at fun of these things, to think it welcome prowess. It seems a Sadler's Wells all next week comic when a moth is given one male and one female antenna. All right, it is funny. But also, despite the inevitable protests of the humanitarians, it's potentighty useful—in the right hands. Next Tuesday the last in the series will deal with memory, thought, attention and the mind. What, I wonder, will the neuro-

but in a more comfortable area bedside: I think the wice is of it, were three in a new essential Radio 3 might read series of readings from the five minutes worth every right Lyttelton / Hart - Davis letters, after the programmer end, as the correspondence between they played Schuborts some George Lyttelton, a former in that magical analyses being English beak at Eton (and yes; father of Humphrey), and At the other end of the Rupert Hart-Davis, once his implication scale, though not at Rupert Hart-Davis, once his in pupil, firen an actor, then a tix extreme end Here's n How publisher. I wonder at what Dee Doot Radio 2 on Thomsey, stage they decided to keep one was a taken version of a show another's letters. The Young/

The Lyttelton / Hart-Davis

letters are routine exchanges

between two cultivated men, "That Housman line was spleu-That Honsman line was spient sever temperatures at the condition of the stage production. John Jindi plays doorkeeper at the Lyric Hamsday in the production. John Jindi plays doorkeeper at the Lyric Hamsday in what books like plays dents kept commonplace-books a good seven-part variation of the record the best things—not Le Carre's A Smoll Town in their own player dicts but the Germann with Kenneth Hamb their own obiter dicts but the Germany, with Kenneth Haigh happy quotations they swopped and Bernard Hapton, Sandays from their wide reading Hartman Hapton, Sandays from their wide reading Hartman Wednesdays on Radio 4), Davis, being a publisher, had Pleaset Park Kright plays a better chance to light on everyone class. happy quotations they swooped from their wide reading. Hart-Davis, being a publisher, had a better chance to light on something new, he lit on Charles Causley's poems and delighted his old Englishmaster. The letters in these programmes date from 1956 and 1957: Radio 3, of course, last Saturday, Sunday and Monday. In the last letter we heard, Lyttelton, after recalling cricket from a happier age, suddenly wrote, Will you please swear to tell me when I am a bore? It doesn't sound as if he often was, but I'd bet

men a tricke venton of a show formerly called Twisted Cues another's letters. The Young/ formerly called Twisted Caes, Young letters, between me and a openion Gibbert and Sullivan my twin brother, are witty, extravagings by John Judd. erudite and well-informed, but which has been coming bappily at my end at least they go into for some time and playing a the waste-paper basket when short season at the Arts. John they have been read.

Judd is like Hinge and Brackett. I don't mean that he plays in drug, but though he is gotting a laugh out of his ma

Tippett-Berlioz festival at RFH and Barbican

The largest public concert series of Sir Michael Tippett's music ever mounted is to be phony Orchestra this automa. In a 34-concert Tippett-Berlio Festival at the Barbican Hall as it he often was, out to bet restival at he batches than that Hart-Davis, whose tone is and Royal Festival Hall Hie as respectful as if he were will LSO, in association with the in statu pupillari, wouldn't English Chamber Orthogra, have told him. The letters are delightfully. Tippett and 11 by Berli

The Enchanted Castle of Claude BY WILLIAM PACKER

The run of small explicatory tion, and beautiful images. exhibitions at the National Long may it continue so: Gallery has become so much a first duty of an institution such part of London's cultural life that we are inclined to take it too much for granted and, by its very nature cannot rather on the imagery and through an assumed familiarity, repeatedly he cobbled into tem-subject-matter, both demonthrough an assumed familiarity, overlook and miss the treats it

We know the sort of thing: the attention now focused upon retained by an appearance of a single great work from the change in its policy now and collection, or more lately a pair again, well that is fair enough, that may be made to bear some So, it is that Enchanted particular relation to each other, whether in point of style, pre-occupation, period or material. Always there will be the supporting and documentary matter to propose, or even carry the argument; and the short lecture on slide and tape, now technically so assured, and always full of surprises, ideas, informa-

Long may it continue so: the as the National Gallery is to its permanent collection, which porary hlockbuster exhibitions. strating the practical sources if our interest in this vakuable and references are the contract of the contrac exercise can be teased and Castle, a painting by the great proto-Romantic, Claude Lor-raine, and purchased last year, is the subject of a delightful exhibition-cum-slide show, the first "Acquisition in Focus"

(until September 19). It is a

lovely thing, and we are all better off for having it.

6 Third man for opening pair

7 First try at having under-

8 Revelatory thing, a lid (3-6)

Could be a bad result (10)

permits to enter needed (9)

woman's clothes? Nothing

18 Cavalryman dressed in

19 Football team always over-

diplomat, for example (5)

24 Greek always used by elegist

Solution to Puzzle No. 4,930

ELAGON TALKDOMN LEN TAR O ULSTER GORNLAMS EG G G N /

ESELATION E PE O O P

Dages egetime R E D E H C

further to be seen! (7)

weight (7)

creditor (5)

13 Under-coping by architect?

tailored lead suits? (9)

ground system coming np (5)

needs no further justification image that can be as unspecific 1860s, when Claude himself or gloss; and since the quality as we care to make it, and had just recovered from danof the work speaks for itself, always it has had a peculiar gerous illness, makes a pair Michael Wilson, who put the power over the Romantic with a Psyche Saved that is Michael Wilson, who put the show together, has concentrated in the imaginative compilation or actual architecture in the castle, and also clarifying the story represented.

The Fairy Castle stands on its promontory in deep, cool shadow against a pale morning sky; and on the shore before it, cast in that same mood of serene and infinite melancholy, sits a young woman, a shepherdess perhaps, for there are animals grazing nearby, who gazes far out to sea. It is an picture, dating from the mid-

imagination, supplying indeed now in Cologne. the very model of Kents' opening on the foam of perilous seas, in facry lands forlorn, all that this sea is conspicuously calm. .

But the girl is, of course, Psyche, as Wilson so clearly shows, here the victim of innocent but dreadful misunderstanding, and so abandoned it would seem forever by her lover, immortal Cupid. Soon Psyche determines to drown herself but, so the story goes, the waters refuse to receive her: and indeed this

The story is not so familiar "Charm'd magic casements, to us now as once it was, but it opening on the foam of perilous is one which touches nerves deep in our culture: the heautiful mortal beloved by a God; the jealous sisters; the dangerous but miscarried revenge of Venus that smacks so much Oberon's upon Titania; the lover who must not be acknowledged; the Magic Castle as it were Prospero's island, "full of noises, Sounds, and sweet airs, that give delight, and hurt not." And there is Love at its most impulsive and volatile, and Psyche herself, the personification of the constant Soul.

Steve Miller Band BY ANTONY THORNCROFT

It was good timing for the Steve Miller Band to pay its first the part of a survivor on Thurs' sorry. Abracadabra. Is. Miller visit to the UK in seven years day night with his black leather fund, with a nod towards the just when its recording of trousers and white guitar and a Police, a fair copy since Steve "Abracadabra" was pudging chubby genial performing Miller's own output over sixteen the best selling single spot in manner. the charts. It ensured a couple of packed and happy concerts at mights before backed in his time, took some time to get to their extra date added last night to mop up the overflow.

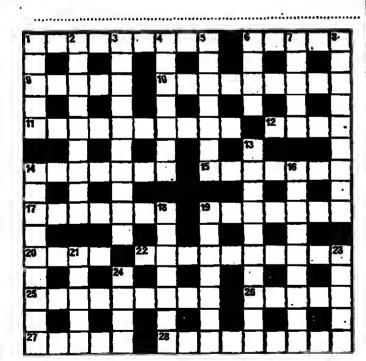
Steve Miller has been around steve Milier has been around the great for years and is one of the great fully at ease with each other, and the bass player, but all finall survivors of the Californian and Milier tilmself leads but an enjoyable exercise in main. West Coast pop explosion of the late 1960s. This was where and when drugs made their baleful contribution to rock and Miller tilmself leads but an enjoyable exercise in main. After so many years the pleasable that Steve Miller has material is a bistory of pop, a solvelved long enough to enjoy contribution to rock and Miller.

had his problems but he looked followed by a good old an He has done at all a shousand

Hammersmith Odeon, with an, by such future luminaries as feet and the Band does not go in Boz Scaggs and Nicky Hopkins for much showmanship, just a His current band is solidly pro- cake walk around the stage and fessional, not flashy but beauti- some nestling up between Miles

F.T. CROSSWORD PUZZLE NO. 4,931

A prize of £10 will be given to each of the senders of the first three correct solutions opened. Solutions must be received by next Thursday, morked Crossword in the top left-hand corner of the envelope, and addressed to the Financial Times, 10. Cannon Street, London, EC4P 4BY. Winners and solution will be giren



ACROSS

- 1 Carpenter's tool as means of raising aircraft (4-5)
 6 Plant grown from seed
- around top of greenhouse (5) 9 Hock dealer not necessarily Cerman (5)
- 10 Middle kingdom in the soup? 14 Weariness coming from 11 Business merger to protect 16 Many in Mass anthems the workers? (5-5)
 12 Halt—street work! (4)
- 14 Opening in shelter, he takes what is left (7) 15 Circus barker? (7)
- 17 Of course he is making enquiries (7) 19 Hot-line of maximum length 21 Provide food to be eaten by
- 20 Over this short distance, the 23 Party hankering for senior certainty is a non-starter (4) 12 Hot, aproned perhaps—large part of it is for Mum! (10)
- 25 As No. 1 counterfeiter does -the very limit! (9) 26 May it produce goodwill (5)
- 27 Alarm-call booked thus by May-queen designate (5) 28 Spooner perhaps in namesnegative sort of fellow (3-6)

DOWN

- 1 Knight's aggressive move, nothing if not fair (5) 2 "Land of Hope and Glory" in Elgar's overture? (9)
- 3 Now is the time for giving (7-3)4 Loan progress (7)
- 5 Absorb all attention in corner (7),

BBC 1

+ Indicates programme to 6.25-8.55 am Open University (ulif only). 9.05 Weekend Wardrobe. 9.30 Get Set. 10.42 Weather.

10.45 Graodstand, including 1.15 pm News Summary: Cricket (10.50, 2.10, 2.45, 3.30) The Benson and Hedges Cup Final: Nottinghamshire v Final: Nottinghamshire v Saturday Action.

Somerset from Lord's; Swimming (1.30) The Philips 12.15 pm World of Sport: 12.20 5
Synchronised Swimming
Festival; Racing from Ascot
(1.50, 2.25, 3.10): The Royal
International Horse Show
(3.30) from Wemhley
Arena: Athletics from Crystal
Palace (4.45).

Saturday Action.

Cycling — The Tour de
France: 12.35 Target Bowls
—The Double Dlamond
British Champlonship Final
from Torquay; 1.60 pm Motor
Cycling—Yugoslavian 500 cc
Crand Prix from Rijeka
followed by Australian Pools

6.00 News. 6.15 Sport/Regional News.

6.20 David Essex' Showcase. 7.00 The Saturday Film:
"Pocket Money," starring
Paul Newman and Lee
Marvin.

8.33 Summertime Special from Eastbourne with Les

Dawson. 9.20 News and Sport. 9.35 The Royal International

Horse Show from Wembley Arena. 10.40 Kelly Monteith with his comic view of life. 11.10 Saturday Live.

12.00 Harry "O". REGIONAL VARIATIONS: Cymru/Wales — 6,15-6,20 pm Sports News Wales. Scotland — 6,15-6,20 pm Sport/ Regional News, 12,50 am Scotlish

News Summary. Northern Ireland — 6,15-6.20 pm Northern Ireland News and Sport. 12:50 am Northern Ireland News Headlines. England — 6.15-6.20 pm South-

West (Plymouth): Spotlight Sport All other English regions; Sport/Regional News. BBC 2 6.25 am-1.30 pm Open

University. 3.10 Saturday Cinema: "Dou't Just Sand There," starring Robert Wagner and Mary Tyler Moore. 4.45 Cricket: The Benson and

Hedges Cup Final— Nottioghamshire v Somer-7.20 The Sky at Night.

7.40 News and Sport. 8.06 Ireland: A Television History. 8.50 The Levin Interviews: Bernard Levin talks to Alfred Breodel, pianist. +9.20 Hitchcock: "Strangers on

SOLUTION AND WINNERS

PUZZLE NO. 4.925

Miss E. G. Sloan, 10B Mount Vernon House, Shore Road,

Belfast BT15 4BA, Northern

Craigiebuckler Avenue, Aber-

Mr P. A. Meachaen, 15 Honey-

gate, Luton, Beds LU2 7EP.

Jonathan Mack. 15

Ireland.

deen ABI 78H.

a Train," starring Farley

Granger, Ruth Reman and Robert Walker.

11.00 News on 2. 11.18 Cricket: The Benson and

Janet Leigh, LONDON.

8.30 am Sesame Street 9.30 Saturday Action. 11.15 Space

Check; 1.15 News; 1.29 The ITV Six from Newcastle and Beverley: 2.55 Formula 1 Stock Car Racing—Billows

European Championship from Northampton Stadium; 1.30 Speedway — Interconti-nental Final of the World Individual Championship from Swedeo: 4.00 News Round-Up; 4.05 Wrestling; 4.55 Results.

5.05 News. 5.15 Worzel Cummidge-star-

ring Jon Pertwee.
5.45 The Incredible Hulk, starring Bill Bixby.

6.45 Funnybone. 7.15 Russ Ahhor's Saturday Madhouse. 7.45 "Disaster in the Sky." starring Doug McClure.

9.30 News. 9.45 ITV Playhouse. London News Headlines, followed by Bosom by Bosom

Buddies. 11.15 Continental Movie: "Love in the Suburbs, starring
Marthe Keller.

12.56 am Close. Sit Up and
Listen with Dame Cicely

Saunders. . All IBA Regions as London except at the following times:-ANGLIA

9.10 am Sessima Street: 10.10 The Extracrdinary People Show. 10.40 Certoon Time. 10.50 Clapperboard. 11.20 Thurderbirds. 5.45 pm Chaps. 10.45 Matnix. 11.45 That's Hodywood. 12.15 am At the End of the Day.

BORDER

9.35 am The Advertures of Black Beauty, 10.00 Terram, 10.50 Clapper-board, 5.45 pm Chips, 10.45 The Streets of Sen Francisco.

CENTRAL 9.25 an Come Closs. 9.40 Clapper-board. 10.70 Gather Your Creams. 19.40 Feature Finns. "The Greet St Transen's Train Bobbery." Starring Fronkie Howard and Dore Bryan. 5.45 pm Chips. 10.45 Thillier.

9.36 am Sangray, 10.00 Torzen, 10.50 Clapperboard, S.45 pm Chips, 10.45 Cangar UXB, 11.45 Reflections, 11.50 Musical Special.

GRANADA 9.25 am Fation Island, 9.50 Sessins Street, 10.50 Clapperboard, 5.45 pm The incredible Hult., 10.45 Video Sounds, 11.15 The Late Film; "Sur-vival Run."

HTV

S.55 am Vicky the Viking. 10.20 Sceame Street. 11.20 Spece 1999. 12.13 pm HTV News. 5.74 HTV News. 5.45 The Incredible Hulk. 10.45 Seturday Night Film: Feer in the Night." storning Judy Geeson, Joan Collins, Relph Sates and Peter Cushing. HTV Cymru/Weles—As HTV West except.9.65-10.20 am Animale. in Action. 5.15-5.45 pm Soe Ameethyddol Frenhinol Cymru—Lienetwedd.

SCOTTISH 9.35 am Stingrey, 10.00 Tercen, 10.50 Clapperboard, 5.45 pm Chips, 10.45 Ther's Hoflywood, 11.15 Lete CeQ. 11.20 The New Avengers,

TSW .

TVS 9.00 am Saturday Brief. 0.06 Sessina Street. 10.06 Sport Billy. 10.20 No. 73. 11.45 Senson. 5.15 per TVS Navrs. 5.50 Crips. 10.45 Thiller: "The Fessies Spreading." 12.05 are Company.

TYNE TEES S.00 Young Ramsay, 8.50 Joe 90, 110,20 Saturday Morning Movie: "Savan Ilays to Noon." 12,05 pm Check It Out Earts. 12,12 North East News. 5.15 pm North East News. 5.45 Chips. 7.45 "Defan," sterring Edward Woodward. 11.00 in Concern—Liberata, 12,25 am Poet's Corner.

: · ULSTER 70.10 am The Extraordinary People Show. 10.35 Capperboard. 17.05 Thursdarbirds. 12.05 pm Golf Doctor. 1.18 Lunchtime News. 5.13 Water News. 5.45 The incredible Hulk. 9.44 Ulster Weather. 10.45 Sports Results. 10.50 Thuller: "Cumpton Killer." 12.10 am News at Bedame.

YORKSHIRE

S,00 am Fang Face. S.20 Animsted Cisseics. 10.10 The Extraordinery People Show. 10.35 The Seturday Morning Picture Show: "Wild and Woodly." 5.45 pm The Incredible Hull. 10.45 Pro-Celebrity Tan Pro Bowling. 17.30 The Morre Carlo Show.

RADIO 1 (6) Stareo broadcast only
5.00 am As Radio 2. 7.00 Wate Up
To The Weekend with Adrien John.
5.00 Tony Blackburn's Seturday Show.
10.00 Paul Burnett. 1.00 pm Adrieo
Justs (5), 2.00 A King in New York
(5), 2.05 Paul Gambaccini (5), 4.00
Pael's Pleasures (5), 5.00 Rock On
(5), 6.30-7.36 in Concert (5),

RADIO 2

FADIO 2

5.00 sm Peter: Mershall with The Saturday Early Show and at 8.02 flacing Sulfetin (S). 8.05 David Jacobs (S). 10.00 Jack Jones presents Star Choice (S). 1.02 Sports Desk. 11.03 Kanay's. Fancy with Kanny Everett. (S). 1.00 pm Hers's A How Oca Ocol 1.30 Sport on 2. Cricket: Somerset v Nottinghamshire at Lord's; Racing: King George VI and Queen Elizabeth Olamand Stakes at Ascort Athletics: The Roblingan Sensy Water AAA Champonships at Crystal Palace: Show Jumping from the Royel International Horse Show at Wembley:

Classified Racing Results at 5.45 pm. 6.00 Country Grasta in Concert. 720

Three in A Row. 7.23 Sig Band Special

RADIO 3

7.55 am Weather. 6.00 News. 8.05
Aubade (S). 8.00 News. 9.05 Sterso
Release (S). 10.30 Beathoven and
Medizer pieno recitel (S). 31.15 Midday Prom: BBC. Northern Symphony
Orchestra. Port 1: Hindemith. Stephen
Dodgson (S). 12.00 Interval Reading.
12.10 pm Concert, pert 2: Brahms. 1.00
News. 1.05 Affett Instrumentali (S).
2.00 Chicago Symphony Orchestra (S).
4.00 Stravinsky (S). 5.00 Jazz Record
Requests (S). 5.45 An American Voica
(S). 6.40 The Clessical Guitar (S).
7.15 Ousthin Words and Eric Partridge.
(Robert Burchfield on alang dictionaites). 7.30 Proms 82. Part 1: Mozart,
Hamilton (S). 8.25 What Books I Please
(Darsk Robinson chooses A. J. P.
Taylor). 8.45 Proms 82. Part 2: Felle
orch. Helfter, Bizet (5). 9.40 A Closer
Look (Vermon Scannell on Thomes
Hardy). 10.00 Editon Chevrolet and The
Great Race (short story by William
Saroyan). 11.15-11.18 News.
Medium !Wave se whit except: 10.55
wm-7.20 pm Cricket: The Benson and
Hedges Cup Fiosl. Sommerst v Nortinghemshirs at Lord's, including 1.30 News.

RADIO 4

RADIO 4

B.25 sm Shipping Forecest. 5.30

News. 5.42 Farming Todey. 5.50 Yours

Faithfully. 5.55 Westher, travel, progremma news. 7.00 News. 7.10 Todey's

Popers. 7.15 On Your Farm. 7.45

Young Faithfully. 7.53 Ye A Bergelo.

7.55 Westher, travel, programme news.

8.00 News. 8.10 Todey's Papers. 8.15

Sport on 4. 8.45 Yestsyday in Periformant. 8.57 Weather, travel, continental

travel, 9.00 News. 0.05 Greskeway.

9.50 News Stand. 10.05 The Weak in

Westminater. 10.30 Osily Sarvice (5).

10.45 Pick 0? The Weak (5). 11.35

From Our Own Correspondent, 12.00

News. 72.02 pm A Small Country

Living. 12.27 The News Quiz (5). 12.53

Weather, programma news. 1.00 News.

1.10 Any Questions? 1.55 Shipping

forecast. 2.46 News. 2.05 Thirty
minute Theatre. 2.25 Shent Aweouse of

the Past. 3.05 Wildlife: 3.30 The Lord

of the Rings by J. R. R. Tolkian (5).

4.30 Dose He Text Sygaff. 5.00

Modern Italian Writers. 5.25 Week

Ending (S). 5.50 Shipping forecast.

5.55 Weather, traval, programme news.

6.00 News, including Sports Round-up.

6.15 Dissart Island Disbes (5). 8.56 Stord

The Wesk with Robert Robinson (S).

7.35 Baker's Octon (S). 8.20 Stourdsy
Night Theatre (S). 9.56 Awesther, 11.15 Stop

The Wesk, with Robert Robinson (S).

11.00 Lighten Our Derkhess. 11.15 Stop

The Wesk, with Robert Robinson (S).

LONDON BROADCASTING

7.00 am AST wide Jeony Letey and Magnus Cerner. 10,00 Jetybone with Tommy Sold. 12.00 ISC Seports with Tommy Sold. 12.00 ISC Reports with Tommy Sold. 12.00 ISC Reports with lammy Soyd. 12.00 LBC Reports with Dee Felly. 1:00 pm Spoidseweth with Day Stenner. 8.00 LBC Reports with Day Stenner. 8.00 LBC Reports with Day Felly. 7.00 Gear Maia. 8.00 Networks From Ashana- to Captrel Part. 8 history of the Messison. 3.00 LBC Special: "The Age Of The Plens." 10.00 Mightims with Cand Theother. 1.00 at Night Extra. 4.00 Heyes on Sunday. 4.30 Decision Makers. 5.00 Morning Music.

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& Rosel List. VALMOUTH Today 2.30.
CAVELL Tonight T.XO.

CAVEL Tonight 7.30.

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BY JUNE FIELD

sit saucily on plinths, peacocks preen their feathers, and surely No, only Concorde overhead.

The grounds of Syon Lodge, where the Crowther family (Derek and his wife Cornelia and his daughter Lorraine), run an architectural antiques business specialising in period garden ornaments, is right under the Heathrow flight path. And naturally the noise distracts none of the intriguing occupants of the sylvan setting.

Over the centuries France and Italy have gone in for ornately carved classical figures to complement their pavilions, plazzas, and grottoes. And in the 17th century Andrew Marvell wrote:
... statues polished by some ancient hand. May to adore the

It is said that the demand for garden statuary in England probably really got under way when for Hampton Court Henry VIII ordered 16 kings' beasts and sundials, 38 stone statues of kings and queens, several dragons and sundry other

Classically designed wellheads, wall masks and temples — "few buildings exceed the magnificance, taste and beauty of the temple," rhapsodised Horace Walpole — also graced the grand landscaped parks of the mid-18th century. As did shafts, usually monolithic and tapering, with a pyramidal apex" as a dictionary definition

Having crowded their homes with heavy furniture and brica-brac, the Victorians went on to fill up the empty spaces in their gardens. Cast-iron seats of "naturalistic" design were produced .. at Coalbrookdale faithfully to imitate fern, blackberry and other foliage. Cossell's Household Guide

C 12 4 C 5 3 FT

MAJESTIC STONE figures stand of the 1880's showed how in secluded corners in silent "garden furniture may be condiscourse, nymphs and satyrs structed with some degree of taste," referring to the pleasing use that could be made of oak "bangles," the smaller oak branches "grotesque in form. (which) when varnished make very pretty rustic work."

On courtyard and terrace, on paving stone and wall, sat urns, jardinières and vases, and the focal point on long, hot summer evenings were the cool rippling fountains. In pavilions and temples, miniature summerhouses with a cupid in the
centre, surrounded by a rustle
bench, even a demure
Victorian maiden might be permitted to sit with her beau. Out of sight but within earshot of a chaperone only the garlanded bust, putti or god-dess would be there to fix a

sightless gaze on them.
The business of Crowther of Syon Lodge owes its onigins to Tom Crowther, grandfather of the present owner, Derek Crowther. Tom was a stonemason who produced marble mantels and tembstones in the work-shop of his London home. When imports of Italian marble threatened his livelihood; he turned to the buying and selling of the fittings of old houses

escned before demolition. When Tom died in 1929, his sons Bert and Tom took over, but the partnership did not last long. Bert bought Syon Lodge, dower house built in 1770-80 by the Adams brothers within the Duke of Northumberland's Syon House, Here he built up the diverse selection of period statues, ornaments, drive-gates, panelling and so on that came from the country estates as well as the grand town houses that were gradually being broken up. . In the bigger pieces, particularly, quality and age are important, but some weather erosion is acceptable. Patina and

line in-statuary of stone, marble.

bronze and lead are just as

necessary as in the warmin and

Where the world of garden ornaments differs from that of the indoor furnishing market is that it is not governed by current fashion trends. "In the main serious buyers know that they want something good and decorative," insists Mr Crowther.

Turnover of period garden furnishings has gone up considerably during the last 20 years, and as in other sectors of antiques, the good stuff is getting harder to find, admits Nigel Bartlett, principal buyer for the firm who travels France, Itely and America in his quest for the right pieces." Once ight back to Britain, much of the stock promptly gets bought up by Americans. A market just picking up is

The propenance of Crowtner's classical pieces is impeccab and often lengthy. A magnificent set of wrought iron gates complete with stone piers, copper lanterns and curved raikings, made by Christopher Buckle in 1740 were orginally the entrance to Great Burgh Manor, and later owned by Lord Arden and Lord Egmond before being moved to Kingswood Grange, Surrey. A pair of 18th century lead vases are from Pitsford Grange, Northampton, and a pair of 17th century stone seats resting on lions heads. with satvrs as arms, were removed : from Derbyshire's Elvaston-Castle.

The visitor's book reveal some of the distinguished shoppers of the past. King George VI and Queen Elizabeth selected mantelpieces for Windsor Castle in 1950, the Duke and Duchess of Windsor bought lead garden tanks, fire dogs and marble chimney pieces for their Paris home, and newspaper tycoon William Randolph Hearst added pieces from Syon to his Cali-



Fantasia by Gamba Dante, 19th century life-sized marble

for mitdoors.

type of pieces currently on offer, contact Derek Crowther, Syon Lodge, Busch Corner, London generally be viewed Monday to a 17th century marble temple Friday 9.5, Saturdays and Sun- with a fine wrought iron dome days 11-4.30.

Pieces are not cheap; the cost of shipping lorry loads of heavy items through Europe and across the Atlantic is high. Peatreasure house San across the Atlantic is high. Pea-cannot fi Princess Margaret and cocks are about £300 a pair, firm says.

Princess Michael of Kent are handsome life-size stone statues more recent seekers of antiques can be bought for between £1,000 and £2,000. An elegant For a free catalogue of the Regency bench-seat on wheels was £850, a 16th century Istrian marble wellhead complete with Isleworth, Middlesex iron overthrow from Inglismal-(01-560 7978), where items can die Castle in Scotland, £6,000 £16,000. These are all genuine Reproductions come cheaper, "But we only have anything reproduced when

John Barrett reviews the state of British women's tennis

Sue Barker fights back

a sigh of relief when Jo Durie singles matches on Thursday in straight sets against the two 17-year-old Israelis Rakafet Benyamini and Orly Bialistozky -to take fifth seeded Britain into the quarter finals of the Federation Cup competition for the 20th successive year, earning a meeting with Czechoslovakia, the third seeds, at the Decathlon Chib in Santa Clara California.

Beforehand the task had seemed simple following the tortuous 2-1 win against Italy in the opening round but this was Miss Barker's first outing in the annual women's team jamboree sponsored to the tune of 200,000 by the Nippon Electric Company of Japan, and after a disappointing season even the presence of the British number one had been in doubt.

"At Wimbledon, after Virginia's (Wade) magnificent performance against Jo (Durie) and her own first round loss to Sharon Walsh, I told Sue that her selection was by no means working hard ever since both at home and then in Monte Carlo last week," said Miss Map-

Having spent the past decade

has begun to reassess her prioritian values and her well-publicised friendsbip with singer to question the place that tennis should play in her life. Ten-derness and compassion do not live easily alongside the killer instinct that every successful player must necessarily have.

Thus at the very moment when Miss Barker had wrestled the mantle of British leadership from Miss Wade after many years of toil the demons of self-doubt threatened to end her career. If, as Miss Mappin hopes and Miss Barker already believes, the new number one does succeed in balancing her priorities and continues to compete there could be a promising future for British women's ten-nis. For Miss Durie will be only and her performance against Martina Navratilova at Eastbourne last month gave a tantalising glimpse of how good she automatic. This seemed to jolt might become if only she can her and she has certainly been believe in her own considerable ability. Anne Hobbs is only 12 months older and she too should have years of improvement

The Federation Cup, a delight-

abead

celebrates its 20th anniversary. ties as a result of two impor- For most of the 32 competing tant influences in her life. Her nations the chance of a match deepening awareness of Chrisagainst the stars of the world game is all they ask. Surely the 20-year-old Indonesian Cliff Richard have caused her Utaminingsih, playing in the competition for the first time, will tell her grand children about the day she took three gamea from Chris Evert Lloyd. That is the charm of the

tension, drama and memorable tennis. Not surprisingly only seven nations have reached the final (including Britain on four occasions) and only four have won the title. Of the ten U.S. wins, six have come in the last six years and the last of Australia's seven victories came in

South Africa won on home soil in Johanneshurg in 1972 and the Czechs won for the only time in 1975 - the debut year of 18-year-old Martina Navratilova who this year leads the formidable U.S. team — atill the overwhelming favourites despite the absence of Pam Shriver with a shoulder injury. If as seems likely Miss Navratilova and Mrs Lloyd retain the trophy for the U.S., the former Czech will be the first player to represent two winning

Winning streak for Watson

having been tournament tough-ened in the U.S. could hardly have been demonstrated more clearly than in 32-year-old Tom Watson's record equalling fourth Open Championship victory in Scotland at Royal Troon. If only 25-year-old South African Nick Price had enjoyed the advantage of the sometimes hitter American experiences which was harder on him than being labelled a "choker" for losing the U.S. Open Championships of 1974 and 1975 at Winged Foot and Medinah respectively and the 1978 U.S. PGA Championship at Oakmont. However. Price might have been able to hold himself together rather better when three strokes clear of the field with six holes to

inevitability about Price's collapse, at least to my perhaps cynical eyes. How could a youngster who has won less than £2,000 on the European tour this year hope to compete with the pressures that crowd this sense neither plants nor had been chosen specifically to with the pressures that crowd sculpture—nor for that matter display the place of sculpture in on Watson every time he the very unusual irregular placed beside it and to some ex-topped fencing with strong ver-tent this is true but it is only has previously won this season part of the truth since all were on three of the most highly rated courses in the world, Riviera (the Los Angeles Open), Harbour Town Links (Sea Pines Heritage Classic) and Pebble Beach in the U.S. Open the first two in sudden death play

offs, and has \$288,796 to his credit in the U.S. When Watson has thrown rway his winning opportunities in the past he has usually done so because he has allowed his always rapid swing to become too quick under pressure in the finishing stretch. In my opinion Price also did exactly that. One can only hope that the pleasant Sonth African, like the 22-yearold Californian Bobby Clampett will not he indelibly mentally scarred by their almost equally daunting experiences at Royal Troon. With hindsight perhaps the latter's most impossible task was somehow to relax having been first out on Friday and

round. This poor, frail-looking lad was not to hit a golf shot in

earnest for some 28 hours.
But after Clampett's total collapse during the final two rounds one is forced to ask the same awkward questions one posed rhetorically about Watson in the mid-1970s. I hope Campett is able to present his own emphatically significant answers in the fullness of time, particularly since he has been so hysterically touted as the game's next superstar by those entrusted with managing his destiny. Rightly or wrongly I feel that his now veteran stablemate Tony Jacklin burned himself out by being rushed here. priental influence in some of there and everywhere to cash in on his fantastic early successes. But what really causes me to be a trifle sceptical about the very skilful and dedicated Clampett's ability to win regu-

THE LAST time out winners

of the Irish Sweeps Derby, the

Coronation Cup, the Eclipse Stakes, the Prix Ganay, the

Grand Prix de Saint-Cloud, the

Hardwicke Stakes and the

Princess of Wales's Stakes are

all in the line up for today's

£153,000 King George VI and

Queen Elizabeth Diamond

Stakes. The Ascot centrepiece

clearly promises to be the most

fascinating race of the interna-

In an unexceptional year this

season's top three-year-old, the

ever, such is the atrength in

depth of today's field that the

contingent which

tional calendar.

home

larly is the artificiality of his method—playing golf by num-bers—as it were. We can only wait and see. Nothing was more pathetic to me than to read last Tuesday in the Daily Telegraph a head-A Better Year for British." What rubbish! Peter Oosterhuis, who tied Price for second place, has been domiciled in California for has eight years, and has boned his Likewise Nick Faldo, who tied for fourth place at Royal Troon, made his first sustained effort out west last year, and returned early to Ganton to win the British P.GA title for the

third time. By then he had earned \$23,320 for 119th place on the U.S. Tour. This year he has already won \$36,998 for 78th place, and gained much priceless experience in golf'a superleague to which I referred earlier. Without that pro-longed experience Des Smyth and Sandy Lyle, who tied for fourth and seventh places respectively, had the second and third worst final round scores of the top 10 finishers. And it has probably not escaped your notice that only three more British golfers, Sam Torrance, Ken Brown and Bernard Gallacher finished in the top 30. see this as a disgrace rather

than "a better year." By contrast it is a measure of his greatness that at the age of 42 Jack Nicklaus was able to finish in a tie for 10th place with Clampett despite having hung the weighty millstone of a 77 around his neck in his first round. Significantly Nicklaus's total of 211 in his last three rounds was only bettered in the Purtzer, who fied for fourth and scored 210 after a first round of Nicklaus's 211 after a first round of 74.

It is also bardly a secret that Nicklaus bitterly resents the fact that apparently more often than not he gets to play one of his first two rounds in the championship at a very late hour. He has my deepest sympathy.

It seems to me that the seeded trios are placed too far apart in the draw. Instead these groups should he placed more closely so that none shall start after 2 o'clock at the latest. Those who cannot attend the event until the evening after work should be fed on a diet of their local and regional heroes. The thrill of seeing one or more through the field with a rush should be adequate compensation for missing all but a hand-

ful of the world famous. It is perhaps churlish to carri at the Royal and Ancient Golf Club at St Andrews, whose members combined with those of Royal Troon to put on the ship in Scotland with much skill and aplomh. But I still feel that overshadowed by the sideshows I would like to see the R and A he a little more choosy about the exhibitors in the trade tent and elsewhere to restrict them to those more closely connected fully strangle the stupid official who told the de-lightful American Powers, an early starter on the first day, to get a move on after he had started with two quick hirdies. And in my opinion it was a disgrace that poor Price was given so little protection final hole of an otherwise splendidly staged event.

The sculpture garden by Preben Jakobsen at the Chelsea Flower

and sculptural plants STATUES in gardens are usually regarded as objects to

GARDENING be contrasted with plants. They are frequently placed at focal ARTHUR HELLYER

points as the centrepiece of a composition and in old gardens they often appear rhythmically, perhaps placed at regular interals against a dark background tural" and uses them in this of evergreens to carry the eye onwards to some distant view. Very occasionally gardens have been made specifically as open air galleries for the display of statues and similar objects, one of the most familiar examples heing the Italian gar-

den at Hever Castle, Kent which was created to contain the very considerable collection of antiquities which Lord Astor had brought hack from Rome. There is, however, another very different approach to statues which was demonstrated in one of the most original gardens at the Chelsea Flower Show last May. This was designed by a Danish landscape architect, Preben Jakobsen and

contemporary sculpture but these were completely integrated with the garden. In fact Mr Jakobsen regards

constructed by C. M. Brophy.

It contained several notable

pieces of Italian and Japaneso

way to create well balanced contrasts of mass and void, light and shade, texture and colour much as a sculptor would use the material of his choice. In tical lines which surrounded the garden, the wooden pergola which made a background for the shallow hrick terraces which made such strong horizontal lines across it—were intended to be dominant since each was an essential feature in the whole creation.

Like all gardens made on the famous Chelsea embankment site, this one rose from front to hack and was viewed by the public solely from the low north end. This means that one is looking upwards against the light and so the brick risers of the terraces made strong shadowed lines across the garplants themselves as "sculp- den accentuated by the pattern

of the paving itself and the horizontal timbers of the pergola. The effect was to increase the apparent width of the garden in proportion to its length and I was astonished to find, on examining a plan, that it was, wide. Had I been asked to guess from the frontal view I would have said that the site was

I had also supposed at the time that each group of plants plants with a strong character of their own and they, or something very like them, would prohably have been used even if there had been no sculpture to display. I find it interesting that

among those garden architects whose work has most influenced Mr Jakobsen is Edwin Lutyens and there is certainly a similarity in the way in which be uses materials and plants and that in which Lutyens and Gertrude Jekvil worked in partner ship to produce gardens where It was impossible to divorce the horticultural from the architectural element. But there the resemblance ends for there is no similarity between the austere rectangularity of the Jakobsen gardens I have seen and his evident preference for foliage over flowers and the exuberance and variety of been first out on Friday and Lutyens' design and Miss last out in Saturday's third Lutyens' design and Jekyll's planting.

Yet many of theplants used in these new gardens were also favourites with Miss Jekyll. There are hostas in pleaty, especially those with large greygreen leaves such as Hosta sie boldiana. Mr Jakobsen also uses berngonias freely, as Miss Jekyll did and he likes irises euphorbias, ornamental rheums odgersias, ligularies and hemer ocallis at least as much for their eaves es for their flowers. Where she used vuccas, a taste which belies the popular image of her as a cottage gardener, he uses modern varieties of phormium.

Since there is clearly ao Preben Jakobsen's work it is not surprising to find him using Japanes maples and hambooa of various kinda and the Japanese Rhododendron yakushimanum also seems to be a favourite It is admirably compact and sculptural in habit and its apple blossom pink and white flowers are as discreetly lovely as those of any rhododendron I know. Dwarf conifers are another

group of plants evidently much favoured by Mr Jakobsen and it is good to see them being used in happy associations with other plants rather than segregated in mini-pinetums. But not ali kinds sold as dwarf remain so for ever. Some can be pruned without detriment to their form but many are hetter replaced directly they begin of grow out of scale. If one gets 10 or 12 Irish-trained Assert, would be a years enjoyment from a plant long odds-on chance, as was one can afford to throw it away the 1981 victor, Shergar. Howand buy another.

It may be costly to make gareight-length winner of the Irish dens of this kind but they can Derby may well jump off at be very economical in the sight odds against. slight odds against. labour element in maintenance I expect the Rohert Sangsterthough they are likely to require owned Be My Guest colt to prea firm hand when pruning or vall over France's Bikala and replanting become necessary to ensure that nothing is allowed includes Kalaglow and Height to become too dominant.



GOLF

line: "Four in the Top Tenon the U.S. Tour.

RACING DOMINIC WIGAN

look to his laurels if he is to extend his winning sequence. Bikala, whose precocious

ot hear of defeat for his mount, the four-length conqueror of Jockey-Club (French Derhy), will help present Assert with his most searching test to date as will Kalaglow.

The last-named, who is now right back to the sort of form which made his trainer and jockey, Guy Harwood and Creville Starkey, so hopeful of toppling Shergar in last year's Derby, is my idea of the race'a best each-way value at odds of

Some five weeks before running away with Sandown's Coral Eclipse Stakes, Kalaglow had put up an equally devastating performance on the same course when routing Silver Season and company in the Brigadier, Gerard Stakes. On that occaof Fashion, hut will have to sion he easily shattered the course record.

Height of Fashion is also back to her best but it seems young partner, Serge Gorli, will doubtful if either she or Glint of Gold (yet to finish out of . the first two) will have the Akarad in last year's Prix du pace to trouble those previously mentioned

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By Guy de Jonquieres

Saturday July 24 1982

A shifting battleground

HOSTILITIES RAGE on in the at least bring some hint of resolution in the most important battle being waged on the world economic stage. In his testi-mony to the Senate banking committee on Tuesday, Mr Paul Volcker, chairman of the U.S. Reserve, announced that the inflationary tide had turned in a fundamental way. While continuing to make stern noises about the U.S. budget deficit he nonetheless declared that henceforth the Fed would tolerate monetary growth at the higher end of its target range.

A few months ago such a statement would bave caused horror on Wall Street despite the obvious case for some easing of targets on the ground that the monetary aggregates have been swollen by people's desire to keep liquid balances oo deposit with the banking system for precantionary rather than transaction purposes. The immediate effect this week, how-ever was to cause short tarm dollar interest rates to tumbte

This suggests that the finan-cial community in the U.S. is no longer dominated by a onedimensionat concern about inflation. In the wake of the cotlapse of Drysdale Securities and of Penn Square, whose backwash was evident in Chase Manhattao's announcement of an unprecedented second quarter loss this week invessecond tors are beginning to recognise that current high real rates of interest cannot be sustained indefinitely without causing severe damage to the economy and jeopardising the prospect

Advantage

The readiness of Mr Volcker. hitherto unbending, to declare in favour of cautious relaxation may also reflect the fact that he bas been winning a more per-sonal battle against those in the U.S. administration who believe that the Fed has been too soft and that the blame for many of the economy's problems lies with the Fed for supposed technical errors in managing the money supply. Now that the painful disinflationary process bas sprung a collapse or two the chairman of the Fed

can afford to ease up a little.
The beneficial result wilt he felt around the world hy friend shot in the run-up to the elecand foe alike. As well as pro-Europeans, lower dollar Interest autumn. rates will cause the right financial squeeze on the Soviet bloc determined to maintain the preto nustretch a notch. The heavily sent carefully engineered down-Indebted Third World will also ward drift in interest rates, to breathe out a little. Inter- which Mr Volcker bas lent national problem companies timely justification. And with such as Dome Petroleum in MPs and the public preoccupled. Canada and AEG in West Ger- for the moment, by spy scandals, many will have an additional security at the Palace and the

portant effect on the battlefront Middle East; but this week did between the U.S. and Europe, where arguments over steel imports and the Soviet gas pipe-line rumble on. The new American Secretary of State, Mr George Shultz, was unanimously confirmed by the Senate last week. Past experience at the U.S. Treasury gives him a useful advantage in bandling those economic tensions between the allies that have spilled over into the political arena.

Reflation

Nor will Mr Shultz, who is entertaining Mr Helmut Schmidt —a personal friend — in Califorma this weekend, want for advice on contentious economic issues. His deputy secretary is to be an economist, Mr Kenneth Dam: the job of under secretary for economic affairs is filled, appropriately enough, by another economist. Mr Allen Wallis; and the under secretary of state for accurity assistance is to be Mr William Schneider. another economic sophisticate who comes from the Office of Managemeet and Budget.

All command respect, though doubts have been murmured in some quarters about how the new team will handle such diplomatic proceedings as the strategic arms reduction talks with the Soviet Uoion.

Meanwhila in Britain attention is turning, with some prompting from the Confedera tion of British Industry, to the possible scope for a modest dose of reflation. On both economic and political grounds the case appears strong. Monetary demand in Britain is falling below the path laid out in the Government's own mediumterm financial strategy. Without giving intellectual quarter to the so-called "wets" on the Conservative benches, the Chancellor could reasonably contemplate some modest relaxation along the lines suggested by the CBI, without betraying hallowed principles.

Preoccupied.

The political case is to be found in this week's beadline unemployment total of 3.39m. For good measure the economy remains flat and inflation Is coming down faster than some had earlier dared hope. An autumn reflation might thus seem an appropriate opening tion that Mrs Thatcher hinted viding some relief for West on Thursday might come next

glimmer of bope.

The interplay of personalities.
always important in Washington, could also have an im
REA, perhaps he can afford to
be. The odds on an antumn
reflation are sbortening, but it
is far from a certainty.

A direct line to the market THE GOVERNMENT'S an week that it plans to seek

legal authority to sell shares in British Telecom (BT) marks a radical new phase in the tele-communications liberalisation policy which it set in motion last October. But, by ruling out a sale before the next general election, it has staked the future of that policy squarely on the verdict of the ballot box. The Industry Department has for some time viewed privatisa-

tion as a natural extension of the measures taken so far to separate BT from the Post Office and to dismantle its monopoly over subscriber apparatus and services, According to Mr Patrick Jenkin, Industry Secretary, BT would gain by being freed from Government control, particu-larly over its finances, and by baing exposed to the discipline of the capital markets.

The Department would have liked to arrange a share sale earlier. But it has taken many months of tortuous negotiation to forge a consensus in White-hall, and Minister have concluded that there is little real chance of accelerating the time-

The necessary legislation is not expected to reach the statute book until this time next year, barely nine months before the Government's mandate is due to expire. City institutions have told Ministers that investors would be wary of a sbare offer-ing so soon before an election which could return a Labour administration set on re-nationalising BT.

The Labour opposition and

BT's six unions have been

BT says it was not consulted in advance and does not welcome the prospect of further upheavals

unanimous in condemning the proposal. The Post Office Engineering Union has accused the Government of seeking to give away a precious national asset to "speculators", and its left wing has called for a oneday protest strike. In private, though, the POEU's leadership has indicated that it may be slightly more flexible, provided. the terms of the sale are favourable to its members. BT Itself bas reacted with

surprise, saying that it was not consulted by the Government in advance. It has made It plain that it is already busy enough adjusting to liberalisation and does not welcome the prospect of the further Trading (OFT) — which was upheavals which privatisation asked to take on the job but

The City is also advising the bave powers to initiate legal Government not to rusb its proceedings and to refer cases fences, though for different to the Monopolles and Mergers reasons. Preparing a prospectus for the sale of 51 per cent of BT, which Ministers hope would can invoke a sizeable body of raise £2.5bn to £3bn. would be a massive task. With a £5bn turnover and net assets of some £8bn, it would be by far the biggest nationalised industry yet offered to investors.

The White Paper announcing the Government's plans for British Telecom, presented earlier this week by Mr. Patrick Jenkin. operating licence which the maze has been one of the major sweeping internal reorganisa-Valuing BT for stock market Government plans to grant BT.
The economic criteria which would require a thorough bouse-cleaning of its it would employ to determine, Though the programme was for example, appropriate rates launched almost 10 months ago, — it lacks effective Internal financial controls—and a decision on how to deal with its £1.25bn pension fund liaof return on investment, are not known.

for Industry

DEPARTMENT OF INDUSTRY

The Future of

Telecommunications in Britain

obligation to maintain a uniform level of service to all sub-published scribers and to avoid predatory Minister tactics intended to damage its competitors, BT is certain to dominate the market for many years to come and could easily its rivals, like the scupper planned Mercury independent communications through unscrupulous manipulation of its tariffs. .

Even if BT plays strictly by the rules, striking a fair regu-latory balance may call for some and controversial-judgments. The unions have pointed out that BT could face problems in reconciling the provision of an unprofitable service to residential customers with the need to give private shareholders the best possible return on their investment.

There is also a danger that the Office of Telecommunications could find itself being drawn into a morass of time-consuming detail. Industry Department officials bave complained—with a mixture of frustration and grudging respect—about BT's skill at swamping them with voluminous technical arguments of

baffling complexity.

challenges facing the equip-ment liberalisation programme. newly-approved telephones have only just started to trickle into The terms of BT's licence the shops, and the first official standards, which all equipment manufacturers will have to obligation to maintain a uniform

Ministers have been privately disappointed at the few tangible results to date and have accused results to date and have accused BT of obstructing progress. Sir George Jefferson, BT's chairman, was recently taxed on this point by a senior Minister. When he denled the allegation, be was told: "Tm sorry George, but that's just not the way it leads from carteid." looks from outside."

Wherever the truth lies, the Government has also been criticised in the industry over the arrangements which it made to implement liberalisation. Partly to save money, the Industry Department asked BT last year to assume temporary responsability for testing equipment for private sale until a new, inde-pendent, system of standards and approval was in operation.

tions market. BT bas not, bowever, needed

tion. BT's aprawling bureau-

cracy has been restructured into four main divisions containing

separate profit centres. It has

launched a variety of new services and has stepped up its

investment programma to £2.2bn

which is expected to report a

more than doubled profit of almost £450m for the year

ended March 31, has set about

closely with its costs. It has sharply reduced tariffs on its highly profitable long-distance and international routes, while

raising charges for local calls,

against its three main tradi-tional suppliers, the General

Electric Company, Plessey and

aligning its charges

on which it loses money.

As part of this exercise BT,

links via satellite In retrospect, that looks naive. A new division, BT . Enter-For BT was, in effect, being asked to sit in judgment over other suppliers while being enprises, has been formed to market newly-liberalised subscriber equipment and services. It is recruiting a 900-strong couraged by the Government to prepare fiself to compete on the liberalised telecommunicasales force, which will supply a wide range of products from Mickey Mouse telephones to sophisticated office automation systems. It will compete both

much outside prodding to tackle the latter task. During the past 18 months, Sir George Jefferson has instituted a

deal longer to change attitudes further down the ladder, where the monopoly mentality is desuiv incremed. The Government has been impressed by the chake-up in

believe that it may take a good

Department, at least, there appears to be a marked ambivalence towards the organisation and its future role in Britzin's telecommunication industry—whether or not plans for privatisation proceed.

On the one hand, there is a tement to view BT with deep suspicion as a greedy monopolist, ready to resort to almost any terisc to dish its smaller rivals and retain market domination. On the other, it is biso spoken of in glowing terms as the Great White Hope of Britain's telecommunications in-

dustry.

The Government is keen to encourage BT to enter more joint ventures with private com-panies. There has also been discussion in Whitehall of giving it greater freedom to manufacture it own equipment, in the hope that it would turn itself into an integrated releintestions - company

It is not certain how much this type of discussion owes to attempts to find an incentive to persuade the POEU to acquience in privatisation. But the Government will have an opportunity to clarify its atti-tude towards BT later this year, when it is due to decida its policy for recabling Britain with cable television and two-way broadband communications net-

BT has been loobying hard for a major part in the project. It

Cable TV operators believe BT is making a thinly-veiled

These decisions have been made with more than a passing glance at Mercury, which aims to chiallenge BT in the market for business telecommunications. Though Mercury will be technologically more modern than BT's public network, BT is rushing into operation special new services like X-Stream an advanced digital transmission system. It also plans to offer direct business communications links via satellite. resources should quality it to be the orime contractor for laying and managing the physical cable networks. These demands have not sone

down well with cable television beerators; and others who believe that BT is making a thinly weiled attempt to preserve its monopoly. They contend-that cable laying would be done most quickly and efficiently if it were left to private enter-Standard Telephones and The debate neatly crystallises Cables, and against such intertue the arguments over BT's national giants as IBM and position. The Government's response should also provide. The speed with which BT has some clues to how far it believes responded has won high praise the Information Technology in the industry. Revolution which it is anxious in the industry.

But BTs performance still to promote should be shaped has to be tested fully in the by central co-ordination, and market. While its top manage bow far its development should ment is widely judged to be of be left to the free play of markigh calibre, some observers ket forces.

Cutting through this technical THE RECENT RECORD

	ugures un a	n)	4.	· · ·		
Year to March 31	1978	1979	1980	1981		
ncome Profit Fixed assets, net expenditure	2,924.0 326.6 844.6	3,243.9 336.4 996.5	3,558.9 129.1 1,240.8	4,554.2 180.7 1,554.0		
					,	

But unlike the OFT, which consumer protection law, it is unlikely to be backed by much specific legislation defining

Letters to the Editor

Issues at the V & A From the choirman of the Advisory Council of the

Victoria and Albert Museum Sir - Considerable interest has been aroused by some of the recommendations made by Mr Gordon Burrett in the Rayner Scrutiny of the Victoria and Albert and the Science Museums. I, on behalf of the Advisory Council of the V & A. wish to put on record our conviction that there is much in the report which will assist tha Museum in achieving better management and housekeeping. We also welcome the Minister for the Arts' decisions, firstly that the V & A, subject to the will of Parliament, should become a trustee museum, and secondly not to improve the second of the second secondly not to impose general

Museum of Childhood at Bethnal foundation—Is shown by the year, in the main the young. The outcry at the suggestion that the museum could be closed. South Kensington, SW7.

tocal opinion that such a move would be folly.

ing must apply.
The Theatre Museum is under

It has its own entity, its own Advisory Council, but it is part of the V & A. Its collections, worth over £23m, have largely been donated, its capital building cost of some £4.3m bad already been committed by government and admission charges after it opened would meet the greater part of its annual running costs.

admission charges.

There are, however, two major immediate issues on which we find onrselves in the Rayner th is the threat to the general public and our many friends from abroad.

Green. This is a national collection in a deprived area of It must not be forfeit. It London sorely in need of the would be not only philistine but vigour and vitality of this a gross misuse of extremely museum, and its viability today valuable assets if it were, and -over a century after its this would be in neither the foundation—is shown by the spirit nor the character of the 200,000 people who visited it last Rayner Report. (Sir) Alexander Glen.

Football's survival

Sir,-It was with amazement 32, Richmond Terrace, that I read (July 14) the defeat Clifton, Bristol. of tha amendment to the Finance Bill which aimed to

France, is not on the rates. It of recession, to increase the tax the British Hotels, Restaurants burden on football when so and many clubs are fighting for appealing for yet more financial their survival. The long-term assistance (July 15). future of football lies in better If Mr Hartwell seriously marketing of the game and believes that the single attrac-financial rationalisation (ground-tion that tourism outside the

sbaring or mergers). going to struggla to stay alive. tourist industry bere is being This new tax, however, can only ill-served.

increase the threat to soccer's

adequately reflects national and Even bere, we accept that the principle of good bousekeep-

even more immediate threat. its establishment was approved by government, its site imaginatively chosen in Covent Garden.

Even if this were not so, surely the theatrical heritage

The case for the Theatre

Victoria and Albert Museum,

present precarious financial viability. From Mr Charles Edwardes-Ker. Charles Edwardes-Ker,

eliminate the increase in pools Help for tourism Football in the UK, unlike From Mr B. Bolton Sir,-I read with interest the is thus disastrous in this period item quoting the chairman of

tion that tourism outside the UK has to offer over tourism In the sbort-term, clubs are in the UK is the sun, then the

Petrol coupons hardly com-

Caterers Association

pensate for the UK's antedeluvian licensing laws, for the plethora of "no children" signs, for restaurants and cafes refuse to serve a cup of coffee without a meal, and for or demi-pension charges that are twice the level of equally "sun-less" European areas. The UK tourist industry, particularly in the hotel and catering area, is characterised by managerial attitudes towards their employees that are singularly appropriate to the 17th century. It is hardly surprising that sometimes staff let this out Oxford on the tourist.

There is much this Government could and should do generally, but helping a group companies that cannot put their own bouse in order ought not to be one of them. Brian Bolton. Research Department.

Transport and General Workers' Union, Transport House Smith Square, SW1.

Halley's Comet From Mr Alan Grainger

Sir,-I was interested to read (July 16) that the European Space Agency bas approved a 534m project to construct a saleilite twill spend two bours studying Halley's Comet when it passes Earth in 1986 after an interval of 76 years.

Current estimates of the rate of deforestation in the tropics indicate that the tropical rain forests will bave largely dis-appeared before Halley's Comet next visits the Earth. Our knowledge of the state of this major planetary resource is very limited: only half of the total extent of these forests has been measured accurately, and rehiable deforestation rates are only available for six out of tha 45 countries which contain the resource.

In view of numerous possible side-effects which could result from the loss of these valuable just over three years ago. forests (e.g., global climatic Indeed, in our examination changes affecting agricultural programme, to be announced production; the loss of gene later this year, accountancy banks needed to improve the breeding stock of currently cultivated plants in response to Knowledge. Naturally, exemp-new pests/diseases or changes tion from this particular paper in climate; and not least a de-

preciation of the world's timber properly qualified accountant. resources at the very time when they will be most needed) might it not be prudent to give equal iority to constructing a satellite that can continuously moni-tor the state of the tropical rain forests over the next 20 years, thus helping us to formulate policies that will encourage their wise management conservation? St. Cross College,

principles of fair competition.
Its main initial point of reference would probably be the

bility. Prospective investors

fication of the regulatory frame-work in which it and its.

competitors would operate in

dynamic growth industry. But

BT's future profitability will depend beavily on how far It

will be free to set its own tariffs for the public telecommuni-

cations services which provide

most of its income. At present

these must be approved by the

Iodustry Department, which measures them broadly against

BT's investment needs and the

Government's financial targets.

But the Department's direct

involvement would cease once

costs to avoid creating a large regulatory body on U.S. Ilnes, which would subject every

proposed tariff change to

lengthy scrutiny and negoti-

ation. It envisages instead a compact "Office of Tele-communications", which would

rely mainly on retrospective

intervention. It would monitor

the telecommunications market and investigate complaints of

unfair competition and unsatis-

The Government wants at all

BT was privatised.

factory service.

Commission.

Telecommunications is

also want detailed clari-

Accountancy skills

From the Chairman of Council, Association of Corporate Treasurers. Sir.—Mr John Shaw of Edin-burgh wrote (July 13) calling Lex to account for the assump-

tion that the Institute of Chartered Accountants in England and Wales was synonymous with the "accountancy profession." He also speculated that the Association of Corporate Treasurers (ACT) might regard itself as part of the

accountancy profession.

As our 700 members are mainly corporate treasurers or finance directors drawn from "The Times 1,000" public companies, a majority of them as would be expected-hold accountancy qualifications. Many individual ACT members, therefore, are already indirectly represented on the Consultative Committee of Accountancy Bodies (CCAB) through their membership of one or more of

However, the modern corporate treasurer is part of a separate and distinct profession whose members have gained their skills by study and experience of a range of subjects which, if appearing in a CCAB member syllabus, are tikely to be treated as related knowledge, peripbaral 'to accountancy. It is for this reason that ACT was founded just over three years ago. Indeed, in our examination constitutes only one of five papers in Part I. Related tion from this particular paper would be available to any

However, it is not proposed that there should be any exemp-tion from Part II, "Corporate Treasury," which will consist of five three-hour papers embracing cash management, in-vestment management, funding management, foreign currency management, and corporate financial objectives and development.

Returning to CCAB, from tima to time it does deal with topics on which ACT would feel qualified to advise, especially with respect to banking relationships, but ACT has hitherto neither aspired to — nor even considered — CCAB representation. Peter Hayman.

Pembroke House, 40 City Road, London, EC1.

Accident 'lottery'

From Mr C. G. Lewin Sir,—In 1973 the Law Com-mission recommended that the parties in an action for damages in personal injury and fatal accident litigation should be entitled to produce actuarial evidence for the purpose of establishing the capital value of the future monetary loss involved in the claim, and that the Court should bave due regard to such evidence in assessing the damages claimed.

The Administration Justice Bill currently before Parliament provides an excelleut opportunity for the implementation of this recommendation and I very much hope that a new clause will be tabled to the Bill so as to achieve this effect.

The advantage of making the change would be that it would reduce the "lottery" element in the present system, where judges use subjective methods which can often produce results which are unfair to one party or another. It is of great importance, for example, that proper allowance is made for interest, inflation and mortality and tha interaction between them. This need not involve de-tailed calculations in each individual case, however. It Managing Director, Finance, would be possible for the Court British Gas Corporation. to be provided with standard Rivermill House, tables approved by the Lord 152 Grosvenor Road, SWI.

Chancellor and the Government Actuary, while the Court would of coursa retain its right to make allowance for any special factors pertaining to the particular ' case under consideration.

In 1973 the Bar Council expressed their wholehearted support for the Law Commission's recommendations, which were also supported by the Institute and Faculty of Actuaries and the Government Actuary. Recent cases have demonstrated that the need for. change is urgent and I bape that the present opportunity will be taken.

C. G. Lewin. Quintacre, Elms Road, Hook, Nr Basingstoke, Hants.

British Gas figures From Mr W. G. Jewers

Sir,—I refer to Mr Feun's letter (July 15) about the disclosure of historic figures in the accounts of British Gas.

Note 2 of the accounts for 1980.91 accounts for 1980-81 sets out the current cost adjustments for the years ended March 31 1981 and March 31 1980 from which the historie profits for those years can be ascertained: Nevertheless our main

accounts are prepared on a full CCA basis and so far as fixed assets are concerned we have been applying a supplementary depreciation charge since 1976-1977. This is because we are in no doubt that unless, before striking profit, provision is made for maintaining the assets at current costs the financial base of the business will be eroded. For businesses financed by fixed debt failure to make such provisions can lead to borrowing and interest charges which cannot be supported and where equity canital is involved to a progressive dimination in the rate of return.

There are obviously other causes for these problems which are unfortunately much in evidence in business these days, but I believe that the illusion of profits based on historic cost is a contributory factor.

Cutty Sark Scotch Whisky



Quality without compromise.



ure Vet

Summer turmoil in the travel trade

AS BRITAEN'S schools close for looks set to maintain its their doors for the summer, position among the top five the great holiday rush to most profitable industries in the airports and ferries is getting country." under way. Recession is a word which seems hardly to agents are having a very diffi-have a meaning in the bars of cult time. Their margins are Roulogne and the lounges of Luton airport. British deter-mication to travel seems unquenchable. But is it?

Amid the razzmatazz sits an industry in turmoil. The travel trade's brand leaders, to whom basis of trading is under customers have flocked, have scruting by the Restrictive Pracreported record profits and are dices Court whose findings looking to another fat year. The big travel agency chains getting bigger in a spurt of High Street investment, but to much more aggressive com-smaller tour companies are in petition from other retail deep trouble and dozens of chains. independent retail travel agencies may disappear this year.

Package tourism lest year sectors. Tour operators packshowed a small increase both age together cirline seats and in numbers and in spending hotel beds and wholesale these This year there are indications of only a marginal fall in the market demand but substantial reductions in consumer holiday spending. Yet, if previous patterns are repeated, the brand leaders will hardly be

Over the past three years, according to researchers Business Ratios. Thomson Holidays sales have risen by an average 33 per cent, those of Cosmos by 27 per cent; Horizon by 50 per cent; Intasun (South) by 58 per cent; and Intasun per cent; and Intasun (North) by 78 per cent. The overall market has grown at nothing like those rates. No wonder Intasun's Harry Good-

Business Ratios suggests that, while life may be getting a little tougher even for the market leaders, the industry need not sport a hair shirt! "Despite the dampening effects Independent retailers usually of the recession and worsening do not have much fat to fall

· Yet small independent travel being squeezed at a time when the relative buoyancy of the trade is attracting heavy investment from outsiders and thus more competition.

At the same time, the present could well sweep aside such pro-tection as the High Street agents enjoy and open the gates

Britons abroad is in two basic packages to the retail trade. Most major operators these days are vertically integrated to the extent that they own, or are owned by an airline. Many of in the retailing business.

Travel agents make their money on the commissions they receive from their principals: the tour operators, airlines, the ferries, insurance companies and car rental groups. Commission varies' enormously. Some hotels pay as little as 5 per cent, some holiday insurance companies as much as 33 per cent. The average is between 10 and 12 per cent for the bulk

man talks of "a couple of But these commission levels bankruptcies" later this year are not sufficient to sustain the among his smaller rivals.

But these commission levels are not sufficient to sustain the 8,000 or more travel agency out-But these commission levels lets in the UK. The huge drop in the average amount spent by holidaymakers on their packages this year has meant a fall in income for the retailers.

exchange rates, the travel sec- back on. Large numbers of



Greek helidays for just under £200, on ofter in the window of a travel agent's in Victoria, London

them are family businesses sit- comes from Pickfords. ting on High Street freeholds. Pay in the business is generally appailing. The average income last year for travel industry personnel was just over \$4,000. Staff may join for the glamour or travel perks but those who are any good soon move off either to large groups with promotion prospects or out of the business completely.

The bigger groups can insu-late themselves against many of the problems of falling unit sales. Agents such as Thomas Cook, Pickfords, Hogg Robinson and W. H. Smith (one of the new boys tempted in by the leisure boom) have the muscle to squeeze higher commission rates out of many suppliers. All of them have also taken a much more aggressive marketing stance and as a result, seem to be maintaining both growth and profits by taking an ever growing slice of the available

An indication of the problem

reckons that in May of last year the average price paid for a holiday was £200. By May of this year the figure had drop-ped to £175. In recent weeks there have been signs of it falling to £160. 'The harsh fact is that there is much less disposable income around this

Even in prosperous South-East England, there are signs of strain. A remarkable number the inhabitants of Kent, Sussex and Surrey market holidays with credit cards.

Pickfords bas been gnawing deeply into the market once bed by independent family businesses. Its bookings for the top tour operators so far this year are up by 42 per cent. Its revenue from these sales, bowever, is np by only 34 per

As recently as 18 months ago anyone looking for a travel agency to buy would have found

It the price worriesome. Today other retailers-such as chain bave travel brochures on their doors of the major chains. shelves and, more likely, for

At present, a travel agency is not a business which can be opened overnight. As part of the industry's own consumer protection system - one which swing smartly into action in the wake of the Laker collapse -agency members of the Asso-ciation of British Travel Agents can only sell the package tour products of ABTA's tour operator members. Tour operators themselves can only sell via ABTA agents, or direct.

This mutual exclusivity, which is backed by rules about the number of qualified staff in-volved and other trading restrictions, is under attack from the Office of Fair Trading in the Restrictive Practices Court. The case is the first of its type to be considered by the Court (the Stock Exchange is next on the

If it goes against the industry, the gates will be open for

MONDAY: Bricks and cement

poses Committée meets. Mr Roy

The fact is that while demand

is relatively healthy, there is a gross over-supply of the pro-duct. This means that many companies even some of the big ones—still bave unsold capacity for what is left of the year and are pushing hard in the high streets.

Travel agency after travel agency is plastered with cut-price offers known in the ndustry as distress signals. In the past, these bave been symptoms of real troubles ahead in the autumn—the tradi-tional time for travel industry financial disasters. Laker survived the winter after his own autumn borrors only because mused banks did not realise the full depth of the problem.

Intasun's chairman Harry Goodman taiks quite bluntly of the bleak prospects for some competitors. "When people are dumping return seats to Spain for £20-£30 they have got to be in trouble," he says. Horizon's managing director

Ren Franklin is also watching the price-cutters. "We have never discounted our prices. People are led to think they are only getting a bargain if they are getting 25 per cent off. If they looked closely they would see we were still cheaper. True or not, discounting

and, as yet, it has shown no signs of offering Cook services, seems to have a strong geoother than travel cheques, at graphic, rather that corporate, pattern, Greece and Malta are o destinations often featured retail trade, it looks as if the in the cut-price bargain hists as agents will increasingly have to those nations have seen their look to the top 30 or so tour husiness from Britain fall off. Malta's loss stems from exchange rate changes, Cyprus' This year some 6.5m package from its holiday price rises. They, along with the U.S. and tours may be sold, compared with 6.8m last year and 6.2m the year before. With the major Tunisia, seem to be the notable

losers of 1982. The winners are Spain, Italy, Austria, France and the Far published figures supporting these claims, then someone, East. The rush to France by British car-owning families bas

"We are choc-a-bloc until late Thoresen. On the short sea routes there are always likely to be places, but on the longer haul ferries from Portsmouth and Southampton there are precious few spaces left over the next few weekends.

The devaluation of the franc has given a considerable boost to independent travel to France. The French Government Tourist Office in London once again has permanently engaged telephone scarcely no chance at all of finding good quality large country cottages to rent, with companies such as Vacances Franco-Britanniques heading for one of their best years ever (a compensation perhaps for a somewhat painful assault on the aki market last season).

How the domestic tour market will fare in this turbulent year remains to be seen. Continental motorists tend to impulse bolidaymakers rather than forward bookers, so that ferry operators are never sure what the market will be like until the season is in full swing. Early signs. however, are that the French devaluation and the relative strength of sterling are nudging the flow of continental traffic away from the British ports-bad news for South Coast of England hoteliers, who rely particularly heavily on German and Dutch families.

The one bright spot is the fact that the American market to Britain has revived. London's Park Lane strip is having one of its better seasons and the tourist buses with their camera-clicking loads from Milwaukee and Minneapolis are on the move again.

But that is little comfort to the British travel agent selling fewer lours at lower prices. For him this is the summer of distress signals.

Weekend Brief

The shadow across **Grand Prix**

"No-one outside Formula One stances, still lies across the Cosworth engines and the much corner at the same time where you lose vision. You don't black out exactly, but everything goes

"After a while your sides ache, your head aches and you become consciously aware of not. enjoying driving a racing car." Shortly after those views were aired, their proponent, Gilles

Villenenve—the young French-Canadian acknowledged by all to bear the stamp of a future world champion—was dead. He had no chance of surviving his Ferrari's awful 150 mph crash at the Belgium Grand Prix in May, as he sought to make the best of one fast practice lap in his "qualifying tyres" on which depended the all important position on the starting grid.

At long last, as many had predicted, the escalating tragi-farce which the top level of motor racing has been performing had turned to outright

tragedy.

The shadow cast by Villeneuve's death and its circum-



The heart of the matter. Villeneuve's fatal crash

can know how bad these cans grand prix scene.

There is a moment. When the drivers line up for units of continental teams such the cars down, most for introgoing over a bump and into a the French Grand Prix near as Renault and Ferrari. So the duction in 1983, involving Toulon this weekend, they will still have earned their grid positions with the bated qualifying tyres. These allow them to go much faster than on their race tyres-but last at best for one or two laps. For the driver they mean that he bas to risk everything on that one lap-and pray that no one gets in his way. In Villeneuve's case, someone

did: he died. Not surprisingly, the drivers want qualifying tyres banned. The tyres are just one issue. Grand Prix is also being run with cars that their drivers mostly consider to be lethal. Last year they ran virtually without suspension. This was because FISA, the Paris-based governing body of motor sport, had banned "ground effect skirts"—which close the gap between the side of the car and the ground, sucking the car and the ground, sucking the car onto the track—because they let the cars corner dangerously fast. But "ground effect" is also a

over 220 exhibitors and £3.5m

worth of business, plus many immediate renewals for 1983. It

is not prepared to make way

for its old rival. There is also

the Park Lane Fair, and one

devoted to porcelain at the

Dorchester, which have also

fight very hard to get back its old customers, most of whom

have continued loyalty to the RA, and in a trade where the

veneer of culture disguises a chest of back-biting it is hard

to predict the winners and the

losers. The key factor is the

assessing panel for the fairs.

The experts in various fields

are in a strong position to pay

back favours and disfavours when judging whether their

rivals' goods conform in quality

standards that all the fairs pro-

Grosvenor House will have to

emerged in recent years.

with suspensions which left a gap when the car was stationary but which compressed at speed -closing the gap. The effect was much like bolting wheels straight into the chassis—dan-gerous. Despite some technical changes the cars are little better this year.

But there have been many other disputes: some political, some financial involving the constructors, FISA and the drivers themselves. They have led to disqualifications from races, a drivers' boycott of one Grand Prix and a threat from the head of FISA, Jeao-Marie Balestre, to set up an "alternative" world championship.

Last year's troubles almost brought a total split between

FISA and the constructors, although the quarrel was patched up. But the funda-mental problems of how to make cars which are now far too fast for the circuits more great equaliser, between the manages British constructors with their as ever. manageable remains as clusive

M Balestre has just come up British found a way round it treaded tyres, no skirts and smaller "wings." The constructors have yet to decide whether they are acceptable. But much more ominously, Balestre says FISA no longer feels bound to get their unanimous approval for the changes. And unanimous consent to any change was the main ingredient of last year's Thus the scene is being set

once again for another confrontation off the track as well as on, with the commerical spon-sors threatening to withdraw support from Grand Prix racing if a championship is again disrupted. Grand Prix can ill afford that. Representatives of pour on average more than film a year into each team have served a formal warning that if this year's championship is disrupted once more, or next year's threatened, the sponsors will start knocking away the financial props. Without them, the whole Grand Prix edifice will crumble.

poblic meeting in Gower. Inter-national Air Transport Association has special meeting in Geneva to discuss airlines' financial crisis. Industrial action planned by ferry seamen over wages. Presidential elections in India. Brief debate in Lords on motion calling attention to the real cost of Government economic policy during the past hree years. World Congress and Exhibition for Ultrasound in

Economic Diary

production in the second quarter. TUC Finance and General Pur-Jenkins, SDP leader, addresses the rail peace deal. British Gas annual report. Civil Aviation Authority report and accounts. Sir Keith Joseph, Education Secretary, addresses Professional Association of Teachers' conference in Eltham, London. WEDNESDAY: Publication of

the banks and building societies

to go into the holiday sales business.

Europe are deeply involved in travel. In Britain only the

Thomas Cook, has direct ties

Already many banks

Midland, via its ownership

Whatever happens to

companies for their livelihood.

companies talking in terms of

25-75 per cent growth rates in

their own business, and the

its branches.

pole Exhibition Hall, Brighton. "1981-82 pay year and on next TUESDAY: Overseas travel and year's prospects" at Centre tourism for May, EEC Budget
Council, meeting in Brussels
(until July 28). Aslef annual
conference reconvened to debate
THURSDAY: Energy trends un-THURSDAY: Energy trends, unemployment and unfilled vacancies (June-final). Employ-

ment in the production industries in May. Overtime and short-time working in manufacturing industries in May. Stoppages of work due to industrial disputes mercial Exhibition for Ultrasound in Select Committee report on in June. Quarterly estimate of figures for June. C Medicine and Biology at Metro- Transport. CBI conference on employees in employment during for summer recess.

first quarter. Special meeting of the Institute of Accountants to discuss current cost accounting. Mr Francis Pym, Foreign Secretary, visits Mr George Shultz, Secretary of State, in Washington. CEGB and Electricity. Council annual report and accounts. European Court of Justice hears British Sugar's case in battle against S. and W. Berisford takeover, Freight Transport Association makes statement on FRIDAY: Final car and com-

Aesthetics ruthlessness

The workings of the fine art market are such as to destroy the average man's faith in buman nature. At one level unworldly aesthetes running their hands in ecstacy along the finest Chippendale artistry; at the next ruthless salesmen hargaining with all the tenacity of Warren Street second hand

It is this commercial strain in the average antique dealer which is coming to the fore in a bubbling controversy over antiques fairs. Such fairs are vital to the trade. They are an opportunity to clear old stock quickly and to attract to London buyers from such still prosperous corners of the earth as the U.S. and Japan.

Until 1979 the major London antiques fair was at Grosvenor House, supported since the early 1930s by all the leading Bond Street firms. Then a nasty industrial dispute about the use of unionised workers at the hotel led to a disruption, and the removal of the top dealers to the Fine Rooms at the Royal

But Lord Forte is keen to get the antiques fair back to his Grosvenor House-along with all its overseas visitors. He has given the British Antique Dealers Association £10,000 to smooth the organisation of another fair there next June to coincide with Ascot and the London season. The Fair was announced this week with a minor flourish and a claim of

30 fixed exhibitors.

Royal Academy, which has already announced a Fair for October 1983, and exhibitors at this year's Academy show have been sent letters encouraging of the Queeus them to stay loyal. There is **Peru style** also a controversy about what is now the real Grosvenor House Fair — all the original Paddington Bear was born in good will passed over to the Academy, which is unwilling Peru and readers will know that his grandmother still writes to give it back to Lord Forte, and has forced Grosvenor House to drop its claim to con-tinue a 40 plus year tradition. to him from that faraway country from time to time. If she has been writing to him this month, it is a fair bet that

It is possible that some rich Miss Universe has had a mendealers will be prepared to pay the maximum £15,000, plus tion or two. For Peru's capital, which Pizarro and his Spanish con-quistadors named the City of Kings, has this month been the city of the queens, and an untrimmings, for a good display at both fairs. But they cannot afford to be at the Academy, at Grosvenor House, and at the likely Third World setting to choose Miss Universe 1981's other fairs which have developed in recent years. Olympia, also in June, has thrived from the disappearance of Grosvenor House, and this year claimed

Not just the capital but the whole country has been treated. if that is the right word to all the razzamatazz of the world's higgest beauty queen contest mported whole from California, USA-not so much a slice of this week and was rushed away Americana as a great plastic hucketful

The ?? national queens and their 48 chaperones have certainly been getting around, pre-paring the film sequences for a spectacular on Monday, which will be beamed to 700m viewers around the world.

Film locations have included the Amazon rain forests and Lake Titicaca. But the high point, literally so, of the girls' adventures has been a day spent filming at Machn Picchu, the awesome Lost City of the Incas perched atop the steepest precipices of the Andes. Machu Picchu was also the last secluded sanctuary of the Virgins of the Sun, who took starring roles in a number of Inca sacrifices. But this seems claim. There is also the quessistarring roles in a number of tion of what the BADA is going Inca sacrifices. But this seems to do with Lord Forte's £10,000. unlikely to have dampened for

long the enthusiasm of the Yet another location has been

Nazca, where strange markings on the floor of the desert have excited theories of extra-terrestrial visitors to the Incas. The markings, it seems. only make sense if viewed from a height of about 10,000 ft. Much the same might be said of the beauty contest, which

certainly looks incomprehensible enough from close up. But it obviously makes sense for Miss Universe Inc., a U.S. company now owned by Gulf and Western's Paramount Pictures. which has been organising what it calls "the pageant" annually for 24 years, and is laying on a budget of \$3m this month alone.
Mr Harold Glasser, the company's president, says it is "the most cost-effective promo for tourism that a country like Peru could possibly have." He says be has been delighted

with the success of this year's event—though there have been mishaps. Miss Paraguay fell down some steps in rehearsal рy some hot-blooded first-aid men, who crashed their ambulance into a bus on the way to And Montezuma appears to have wreaked a terrible revenge on Miss Weles for most of the week.

But the longest-running prime time special show on CBS television—it started in 1960—looks ready to roll on Monday night. If you ever get to the Lost City of the Incas and too many other people have already found it you will know who to thank.

Contributors:

John Griffiths Antony Thorncroft Duncan Campbell-

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TELECOMUNICAÇÕES

CORREIOS ETELECOMUNICAÇÕES DE PORTUGAL

Receivers called in at Viners

manufacturer in Sheffield, went into receivership yesterday, less than a year after it was rescued an Anglo-American sortium.

Midland Bank, who backed last year's rescue operation, have appointed Mr Geoffrey Martin and Mr Peter Phillips of accountants Bernard Phillips as joint receivers and managers, it was announced last night.

Viners' 10p numberal shares were earlier suspended et the company's request at an unchanged Ip.

Viners was saved from collapse last August when a consortium comprising an American businessman, Mr Lucius Andrew, his wife and family and Mr Peter Breach, a British chartered accountent who is chairman of James Dixon, a Sbeffield silver-

ware company, stepped in.
The main shareholders in Viners were willing to inject sub stantial additional funds into the company but it was not possible in agree satisfactory financial arrangements, Viners said. The company declined to

be deeply disappointed that Midland Bank had withdrawn its support at such an early stage in the recovery operation.

Viners cited four main reasons

for its difficulties. It inherited much larger 1981 losses than it expected Viners' French subsidiary went into receivership recently triggering long-standing guaran-

tess of £500 000.

Viners took over much larger debts, to its bankers and the tax authorities, than it had been led to expect. These additional dehts, amounting to £100,000-£200,000, came to light within a month of the new management taking over.

Trading conditions in the UK deteriorated much more mark-edly than anticipeted. Viners had expected a 5-10 per cen decline of the market. The actual decline was 25 per cent for cutlery and 30-40 per cent for

Viners had begun to reorganise its operations bowever and had achieved cost savings of £1m annually, said Mr Breach. This involved a new marketing policy. the introduction of new product lines, a tightening up of account-ing systems and financial conthe rationalisation o production and the reconstruc tion of its management team.

Viners expected to break even within the next few months although it would still bave made a loss in the current year. It expected to break even in 1983.

Marked decline at Ladies Pride

PRE-TAX PROFITS at Ladies Pride in the half-year to May 31 1982 fell markedly from £350,625 to £164,574. on sales down from £3.78m to £3.39m. A net interim dividend of 1.4p per 20p share is recommended, the same as last year, when a final of 2p was also £560.000.

This maker of ladies tashion outerwear says that against the continued background of the depressed national and world economies, the steps made last year to restore sales volume are taking longer than anticipated to bring results. This has led to further erosion in turnover and

Projections for the second half indicate that any improvement is unlikely, but the maintenance of the interim dividend reflects the strength of the company and board's confidence in the

the second quarter, or £142m to

£162m against £135m last year

for the six month period. Agro-

chemicals usually make their

best showing in the second quarter and the Deutsche Mark

exchange rale has moved in the right direction, but the com-

pany's major markets still bave the blahs. Forecasts for the

year range from £350m to £400m.

against £335m last year. More

than a few analysts are expect-

ing some restoration work on

the dividend at the interim stage, say to 10p from 9p last

Sharply increased provisions

Company

Company

Acrow
Attington Motor Holdings
Associated Tooling Industres

Macamhys Pharmacaulicals

Merrydown Wice Ind Wynd International Inv. Trust

Jacks 1.) & Sons Thursday, Friday Linicod Holdings Mandey London & Gartmoro Investment Trust...

Neepsond Folds/
Neepsond Folds/
Neeton & Whight Group Tuesday
Prest (Benjamn) Group Tuesday
Security Centres Holdings Weensday
Sintle Group Thorsday

(Percy),

Photographic

FINAL DIVIDENDS

for had debts in its international

Lloyds Bank £18.4m higher midway Brooke Tool Hanson raises

UK COMPANY NEWS

doubtful deht provisions from £24.3m to £62.1m,

With the announcement of the figures Sir Jeremy Morse, chairman, says that after many years of inflation, there are now also significant deflationary pressures associated with high real interest rates affecting both sovereign and corporate borrowers around the world.

In these conditions it has been necessary to increase the com-pany's total provisions, and exchange rate movements (mainly in South America) have swung against Lloyds, Otherwise, and particularly in the UK, the company's market share and profitability have been well maintained.

Profits from domestic banking operations showed further deficit on working capital, result- form (£55.8m) for premises and growth and, in real terms, were ing from devaluation of the peso, equipment. In addition, other

interim results, increased pre-tax account balances were flat and profits by £18.4m to £193.1m for strong growth in the company's the six months in June 30, des- advances were funded by in-plie a £37,8m boist ln bad and creased interest-bearing deposits with a consequent narrowing of margins. Firm cost control contioued and non-funds based The contribution of Lloyds & Scottish, the finance house sub-

> ing funding costs and difficult trading conditions in its princi-On the international side, Sir Jeremy reports that earnings were down compared with the record level reached in the second balf of 1981 in the face nf lower economic growth world-wide, resulting from high interest rates and unstable conditions. While profit arising from local operations in Argentina has heen included, it is largely offset

an exchange translation

sidiary was down, mainly reflect-

Basic group earnings per £1 share edged ahead from 74.7p to 75.2p, while those fully diluted rose by 4.6p to 73.3p. From these the net interim dividend is stepped up from 8.625p to 9.92p, last year's total payment being when pre-tax profits turned in at £389.7m.

Operating profits for the first half amounted to £199.2m (£173.7m), with associate com-panies adding a further £15m (£12.7m) but loan capital interest taking 521.1m (£11.7m) before the pre-tax result was struck. Making up the operating result, interest income totalled \$2.1bm (\$1.49bm) and interest expenses £1.51bm (£1.03bm). There was nther income of £188.5m (£154.4m) but on the debit side, apart from debt provisions, there were costs of £320.9m '(£267.6m) for staff and

Lloyds Bank, first of the big shead of the second balf of 1981. Including a major devaluation expenses amounted in £155.6n four clearers to report 1982 Over the last six months, current earlier this month. (£89.7m) and there was a £14.2n (£89.7m) and there was a £14.2m deficit (£0.4m surplus) this time on translation of foreign currency working capital.

The provision for bad and doubtful debt broke down as

to 548.1m (£16m) specific and

in the red

THE RATE of losses has

accelerated at Breoke Tool Engineering (Holdings) in the

first balf year to March 31 1982.

incurred a pre-tax deficit of

with

compared

£170,400 reversal in the preced

ing six months and a profit of

£55,900 for the same period of

Following the omission of last

year's final, the group, which makes cutting machine and min-ing tools and steel fabrications,

is not paying an interim divi-dend. Last time the interim was

The first six months has seen

tion at Leeds and the start of the

closure programme at the Whiteley factory, with n very considerable cost to the group both in terms of trading losses

Results for this year will inevitably show substantial trad-ing losses, the directors warn.

has been formulated to enable

to operate within existing banking facilities. The directors say

it is reassuring that losses in the machine tool compenies are

being increasingly offset by the cutting tool and mining equipment businesses. These are running well and there is confidence of further profitable growth next

The company's present strategy

extraordinary items written

0.75p net per 25p share.

off to reserves.

the termination of Hayes' pr

For the period the group

fi4m (f8.3m) general.
No provision has been made for deferred tax in respect of accelerated capital allowances, relating to equipment used in the business or leased to customers where there is a reason able probability that such tar will not become payable in the foreseeable future. As a result the tax charge for the six months has been reduced by £58.5m to £48m (£45.3m).

Hism (His.3m).

Minority interests were £2.6m (£0.9m), However, there is no extraordinary debit for the special one off levy on bank deposits which! for the corresponding period took £38.6m. On a CCA basis, pre-tax profits are given at £129.5m (£105.7m),

John Brown steady after difficult year

'As forecast at the time of the

one for three rights issua last September, the directors are recommending that the final dividend of 2.5p be maintained on the onlarged capital, making a total of 4.25p unchanged.

£680.8m Turnover (£582.4m) and tax took £4.3m compared with a credit of £10m the previous year. Extra-dinary items amounted to .16m (£4.74m) and included nrdinary the previously announced £4m charge in connection with the reorganisation of the machine tool subsidiaries. There was also a provision of £2.11m in

Birmingham

Pallet makes

£0.26m loss

tinued operation in its existing

prospect of any upturn.

Arrangements have been made

for its products to be manufac-

cator and the subsidiary will con-

The directors say full provi-

sion for the costs of the closure

at Birmingham Pallet Co. have

heen included in the interim figures. These show extra-

ling half-year figures due next tax profits for the six months to tax profits recorded at the

Thursday. Forecasts range June 30 to be some £120m com- Interim last year, National West-

netween £80m and £100m for pared to £104.4m last year. The minster has been losing market

improvement in Midland's free capital ratio due to the Samuel

Montagu sale and the £100m loan stock issue is offset by con-

cern over the much bigher write off for bad debts and Midland's

long-term problem of greater dependence on lending to British

heavy industry. The contribu-tion from related services is

expected to go up to around

£29m in spite of almost certain

losses from the Thomas Cook holiday business. Analysts ex-

pect a reasnnable increase in

the full year's dividend, if not

The market is looking for pre-

Lamiyens Tha year

Orvidend (a)*

0.95567 1,32333 1,56567

491 1.68

0.5

0.5

1.3125 2.17875 1.179 2.27273 3 69836 2 5

tax profits of around £250m from National Westminster for the six

1n 1.

-21

at the interim stage.

ment

Announce-

Thursday

Monday

Wednesday

Wednesday

Manday Thursday

Friday

ordinary debits of £199,000 this

tured by another Midlands fabri

marketing business.

After dividend payments of 65.56m (£4.17m), the group suffered an attributable loss of 44.33m compared to a profit of 51.53m in the previous year. £15.33m in the previous year. Earnings per share before extraordinary, items were 8.6p

The chairman Sir John Maybew-Sanders, said that in "a generally difficult year" the performance again came from engineering and construc-tion. Turnover in this division was £325.98m (£290.48m) and pre-tax profit £14.41m (£7.99m). In the plastics and textile machinery division, turnover was £119.56m (£96.29m) and profit

turnover dropped from £66.04m to £64.19m and suffered a loss of £86,000 compared to a profit of £3.36m. Corporate charges less income amounted to £3.58m.

Within the general engineer ing division, losses al Craven Tasker and Markham ingether totalled approximately £1.5m. Interest charges amounted to £21.2m (£13.1m). A consolidated halance-sheet at March 31 shows group assets of £203.9m, financed Machine tools turnover was £114.23m, term loans of £87.56m \$77.23m (£63.92m) and the divi-sion suffered 2 loss of £2.43m overdrafts stood at £24.7m and

John Brown, the engineering turbine engineering contract in group, has reported taxable Argentina.

The loss is net of profits from at £40.5m. Net assets per share compared to March 1982, compared with 55.56m (£4.17m), the group f1.66m. Gas turbines turnover to March 1982, compared with 55.56m (£4.17m), the group f1.66m. Gas turbines turnover with 10p a year earlier. at £40.5m. Net assets per share are stated as 87p, compared with 10p a year earlier.

Current cost profit before tax was £4.2m (£4.7m), and the current cost balance sheet shows total assets of £220.78m Sir Eric Mensforth, Sir Joseph

Pope and Sir Max Brown will retire as directors at the annual general meeting. Mr E. J. Bavister, chie fexecutive of the engineering and construction division, and Mr R. G. Page, president of Leesona Corpora-tion, become directors on August

be further board changes in the coming months, reflecting the company's return to stability since 1975,

Resignation by Grob from Alexander board

BY IOHN MOORE, CITY CORRESPONDENT For the half year to April 30 MR KENNETH GROB, chairman Howden's financial director, will 1982 Birmingham Pallet Group, of Alexander Howden urons, the insurance group with large Lloyd's of London interests and light engineer, bas incurred pre-tax losses of £256,000, compared with profits of £14,000 for the same period of 1980-81. 10 view which forms part of the Alexander and Alexander insurance of these results and the expectabroking empire. bas resigned tion of continuing losses in the from the board of Alexander and second half, no interim dividend Alexander.

In the last full year, the group made a loss before tax of £102,311 (£51,299 profits) and He resigned at the end of last veek, although he is still remaining non-executive chairman of the Alexander Howden Group, a omitted both interim and final post he will relinquish et the end of this year. Group sales for the six months nnder review fell back from £1.46m io £1.29m. The directors say demand for products of

The surprise move described yesterday by Mr Michael Glover, chief executive of Alexander Howden, as a "retirement." Mr Grob, who was operating subsidiary. Birming-ham Pallet Co., suffered a further severe downturn in the spring 60 last September, was instrumental in bullding up the Alexander Howden group and steered the group through its form was no longer viable, given merger with Alexander and Alexander, the world's second Accordingly, its manufacturing facility is being closed. largest insurance broker.

be resigning from Howden in the future. He is three years beyond the group's retirement age of 60. Mr Grob joined the Alexander

board earlier this year once a £150m bid for the group had become unconditional. He bas largely been responsible for organisation of the group's opposition to the divestment proposals of brokers shareholding links with underwriting syndicates at Lloyd's, which is now contained in the Lloyd's legisla-

Howden also confirmed yesterday that a "fair value audit" is being carried out lo Howdeo by Deloltte Haskins auditors for Alexander and Alexander in connection with the takeover bid. Mr Glover sald that the procedure was cus-tomary in takeovers of this nature as the auditors are establishing whet is real value Mr Glover also confirmed and what is goodwil within the yesterday, that Mr Alan Page, group."

Bio-Isolates allotment

ing market in spite of a douoling of mortgage business this year to hetween £600m and £800m.

Political continuous including the continuous including the continuous including the continuous the continuous cont

offered 41 per cent of its equity per cent of the shares sought.

Applications for between 51,000 time. There was a tax credit of £10,000 (£6,000 charge) and basis for the shares.

stated loss per 10p share was 24.1p (0.83p earoings) before extraordinary items.

Adequate overdraft facilities have oeen agreed with the group's bankers, the directors add.

Approximately 55 per cent of for 150,000 when applying the sallocated to those who applied for up to 20,000 shares. The balance will be allocated on the parcentage and 10,000 shares will receive in asis of a weighted hallot as 11,000 and 20,000 shares will receive in follows: applications between receive 1,000 shares each.

share in the UK dnmestic back-

Related services including the

Lombard North Central finance

house have already appounded a

pre-tax prifit contribution of

Linfood Holdings should hold

no surprises when it reports full-year figures to the end of April

since this cash and carry, super

operator was caught in a very

vulnerable position when Arryl! Foods jumped in with a \$76m bid. In defence Linfood produced

Stavert Zigomale Turadey
Steinbert Gicto Townsey
Tomkins (F. H. Winder)
Whittington Estates Temperature

National Westminster Bank Tuesday 9 625
Plastic Constituctions Trursday 0 836
Porteriauth & Sunterland Newszadets Thursday 0 836
Pratt (#) Engineering Thursday 0.2
Preside Group Thursday 0.5
River & Mercantile Trust Thursday 0.5
River Plate & Caneral Inv Trust Windsy 0.5
Temple Sat Investment Trust Windsy 0.5
Vanidge Securities Wednesday 0.35
Vanidge Securities Trust Wessey 0.35
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Vanidge Securities Trust 0.35
Vanidge Securities Trust 0.35
Vanidge Securities Trust 0.35
Vanidge Securities 0.35

markets and discount

INTERIM DIVIDENDS

INTERIM FIGURES

Results due next week

DISAPPOINTING FIRST quarter expectations over Midland Bank's results are announced on Tues- a profits and dividend forecast

results from ICI have prepared interim results to be announced day. This would be more than based in particular on an upturn

the market for less than spark- on Friday. Analysts expect pre- a quarter up on the £197m pre- at Gateway Food Markets whose

уеаг.

Bio-Isolates, which recently 21,000 and 50,000 will receive 12 has announced the allotment cent. Applications over 150,000 will receive 4 per cent. Applications over 150,000 will be deemed to have applied

poor performance had hit the

previous year's profits. Management changes here and a general

restructuring around the group

led to a forecast of a 30 per cent

subsidiaries are trading profitably but bad weather will have removed any chance of the group

—on target at midway—bettering projected full-time profits.

Other companies reporting next week include Vantona,

which produces interim figures on Tuesday; Lex Service, which

reports at the half-way stage on Wednesday: Fitch Lovell and

Dixnns Photngraphic, which will

give full-year figures on Thursday; and Bemrose, which reports interim figures on Friday.

0 €2 0 0.

0.575

Indications are that all

Allied **Textile** downturn

A SLIGHT decline from £1.28m to £1.23m in pre-tax profits is reported by Allied Textile Comnies for the half year to March 31 1982. Turnover was also lower, at £13.99m compared with

The interim dividend is effec tively raised from 2.564p to 2.82p net—last year's adjusted total was 6.582p.

The directors say that the sub-stantial group funds no longer invested in textile activities remain et levels similar to those sbown at September 30 1981. They see no real evidence of any general improvement in the very poor trading conditions of recent

years. The strength of the balance sheet fully supports the level of distribution, and the profits from continuing textile activities, together with income from other investments, will ensure adequate cover, the directors state. £637.000 (£667.000). Stated earnings per 25p share were down from 7.46p to 7.13p.

comment

Allied Textile, the company that even draws comment from its auditors for its conservatism, continues to receive conservative treatment in the market. Yesterday's little-changed mid-year profits were slightly below expectations and the price remained unmoved at 182p. With cash, investments and finance leases, representing and finance leases representing over 168n a share only nodding acknowledge-ment is given to the textile side which after years of major surgery is showing improved margins and profits—about f1m midway—in 2 very depressed sector for UK producers. The absence of excitement stems from a policy of not fully realising its investment income and no particular desire to spend its cash. While the textile side looks set to maintain its better performance investment income is a variable which will be affected by lower interest rates. However, at least similar profits should be attainable for the year for a prospective fully taxed p/a

Group turnover for the half year increased from £4.38m to £6.22m, but net losses rose sharply from £43,500 to £645,800. sharply from £43,500 to £645,800. There was no tax charge this time (£34,800), but extraordinary debits jumped by £244,000 to £308,600. Pre-tax figures were struck after much higher interest payments of £246,400 (£12,900). The rationalisation programme was drawn up to achieve substantial cost medications. The chairman said there could

tial cost reductions, while striking the most practical balance between meaning levels and projected demand, the directors

further closures, in view of the vory high write down of reserves of another major rationalisation programme. This means though that pre tax losses in the machine tool activities will continue at a significant level until there is an improvement in economic

Since March, the group has seen some improvement in demand for Broadbent lather with orders worth \$400,000 already on band for delivery

They say the policy of retain

ing sufficient capacity at Boxford and Broadbent to enable share-

holders, when demand improves to benefit from the cost and

effort of designing the new pro-ducts must be preferable to any

early next year.

Initial interest in the NC miling machine has continued and
the company has to date obtained orders for 12 machines worth £350.000.

However these successes will not work through into profit until the 1982-83 financial year.

comment Brooke Tool's figures are bad and

they look even worse considering that Brooke felt flush enough this time last year to strike the pre-tax profit after £200,000 of. costs. Now Brooke is dropping them all below the line, though it makes little real difference it makes little real difference—distributable reserves have disappeared however the figures are presented. And judging by the interest charge which is £100,000 more in this half-year than for the whole of the previous 12 months capital gearing must now be looking, pretty borrendous. It is the machine borrendous. It is the machine lool side where Brooke is losing all its money, its cutting tool operations are probably making quite healthy profits. The company is talking of some upturn in orders, but it will need a significant and sustained revival. to get Brooke anywhere near to break even in the first balf of next year. Meantime the shares at 10p—15p below par and valuing the company at just over flm—underlines the market's natural caution.

YOUNG COMPANIES At Young Companies Invest-

ment Trust 390 holders of warrants to subscribe for ordinary shares have exercised their subscription rights for a total of 610,460 shares. This issue increases issued share capital to 7,125,218 shares.

Multitone oversubscribed

Multitone Electronics' recent shares were received at or above

nffer for sale by way of tender the striking price. The share was oversubscribed nearly 16 will be allocated as follows was oversubscribed nearly 16 will be allocated as follows: times. Applications for more than 62m shares were received for the offer of 3.67m shares at the minimum tender price of receive 300 shares; those aceking 120p. The striking price has been fixed at 142p, which capitalises the company at around \$21.7m.

Applications for some 24.48m Applications for some 24.48m applied for,

DIVIDENDS ANNOUNCED Date Corre- Total Total nf sponding for last Current payment payment div. Allied Textileint, 2.82 Oct 2 Sept 24 Andre de Brett 1.5 Bronke Tool Eng. ...int. Nil Nil Nil John Brown 25† Crossfriars Trust 4,5 Dom Holdings 2,8 East of Scotland 1,355 4.25 6.5 4.28 Oct 9 Oct 11 Oct 23 Elhief 1 Independent Inv. Co... 05 "Investing In Success" 0.92 int. 1.2 Oct 1 5.04 Lloyds Bankint. 9.92 Sept 3 Aug 12 8.63 Moorside Trustint. 1 Old Swan Hole! 0.5 St. Andrew Trust .int. 2.5 3.5 0.8 0.9 Albinn Wednesder Fdinburgh American Assets Trust Wednesder Fdinburgh American Assets Trust Wednesder Kelloth Trust Vernesder Meggin Holbings Vernesder Might Challotte Investments Wednesder Updown Investment Trister Onwheads are shown not pents for she ships and are shipsted for any Intervention serioussua. 0.39 0.51 Joseph Wehb 0.38 0.51* Dividends shown pence per share net except where otherwise stated. Equivalent after allowing for scrip issue. † On capital increased hy rights and/or acquisition issues. # USM Stock. & For 16 months to May 51 1982. For 12 months.

UGI bid £1m

Hanson Trust, the industrial services group, has increased the value of its bid for United Gas Industries by firm to fill.3m and secured the support of the UGI board for its offer.

Hanson announced yesterday that following discussions between the two boards it will ncrease by 10p to 135p cash per share its offer for the 78.3 per cent of UGI it does not already

equity compared with the £18.2m of the initial bid of July 14.

Hanson currently holds 3.16m
UGI ahares, equivalant to 21.7
per cent of the equity and has two representatives on its board. UGI makes gas meters and n wide range of gas and electrical heating appliances and heating

'Although we have been very engineering activities.

close to Hanson we have been very conscious of the fact that we have the other charcholders to bear in mind," said Mr Roy Shepherd, UGI finance director. "We thought 125p aid not quite measure up to what we were worth. The new offer represents a 35 per cent premium on our market rating before the bid." Hanson said it expected the formal offer document would be own.

The increased offer puts a when UGI plans to publish its value of £19.6m on UGI's entire accounts for the year ended equity compared with the £18.2m of the initial bid of July 14.

Hanson currently holds 3.16m to 136p. Hanson was an unsupplied 170 to 136p. Hanson was an unsupplied 170 to 136p.

to 135p. Hanson was an un-changed 170p.
Hanson believes that UGL, which last month reported pre-tax profits of £3.07m in the 12 months ended March compared with £1.65m previously, will fit in well with its existing light

Brokers Pidgeon De Smitt to be merged with Bekhor

merging the broking firm of Pldgeon De Smitt with its own activities. It is the second merger Bekhor has embarked on in the past two months.

In June Bekhor announced that it was taking over stock-brokers Tilling and Company in a move which was designed to clear up problems in Tilling's administration after computer

The latest merger will come. when the business of Pidgeon will be incorporated.

Mr G. A. Cloake and Mr A. B.

STOCKEROKER A. J. Bekhor is Read have been invited to join merging the broking firm of the Bekhor board as deputy. Plugeon De Smitt with its own chairman and finance director respectively. All other partners and associated members of Pidgeou have been invited to become associated members of Bekhor and Company. All the partners of Pidgeou da Smitt will be joining Bekhor.

The enlarged group will bave a total of about 100 producers of a total of a t income, servicing some 40,000 clients from its London office and

11 branches

Braid hopes to pay final

year as part of its defence against the £3.58m bid from It also disclosed unsudited

nonths to June which showed a profit of £97,000 compared with loss of £66,000 in the comparable period last year Continuing operations made a profit of £97,000 comparedw ith loss of £19,000, while discon-

tinued operations made a loss of £48,600 (£47,000 loss). These results and the forecast acceptance of continuing modest pre-tax per cent.

Braid Group, the Liverpool profits for the final quarter con-vehicle distributor, yesterday an-firm Braid's view that as a result uounced that it hoped to be able to consider a final dividend this company is trading profitably, it company is trading profitably, it said. If the board's expectations are achieved and present trends continue, a final dividend, the first for three years will be con-Braid said It saw no commer

clal benefit in Lookers' bld and repeated its assessment of its assets at 98p per share.

Lookers' offer of 58p per share expires on July 28 and may not be extended Lookers bolds 2.42m Braid shares or 40.3 per cent of the equity and has

Pozzolanic acquires Lytag in £4.4m deal

Pozzolanic, a wholly-owned subsidiary of BMI, an Australian diversified quarrying group, yesterday acquired for \$4.4m, cash, Lytag, a subsidiary of UK coustruction engineering group. John Laing.

John Laing.
Both Pozzolanic and Lytag are
engaged in the processing of
pulverised fuel ash. Net book
value of Lytag's assets is about
£5.3m. In 1981, Lytag had turnover of £6.4m and incurred losses of £107.000

of £107,000.

Mr Denis Turner, deputy chairman of Laing, said yesterday:

"We are edopting a tougher policy in the deployment of resources, and we were not very bopeful that Lytag would produce a reasoneble return on its assets. It has not made significant profits since 1977-78. However, Pozzolanic and Lytag have much m common in terms of business and geography, and Pozzolanic believes that there are economies of scale to be gained."

Rest of TTP. for European **Ferries**

European Ferries (EF) has paid £11.25m to acquire the 25 per cent of Townsend Thoresen Properties (TIP) it did not already own. EF had an option to buy these

started trading in 1975, and this move was in line with its policy, of taking full control of subsidiaries, it said yesterday. The terms of the deal, under-

stood to be in cash, value TTP ou an assets basis and discount anticipated profits ou develop-ment in progress. Policy at TTP will not change and it will continue as the prime UK property development arm of the European Ferries Group. EF bought the remeining TTP

shares from Mr Paul Norman and Mr Irving Scholar, two chartered surveyors who started TTP with cheirman Mr Keith Wickenden.

'Tiny' Rowland buys 5m shares in Lonrho

Mr. Roland "Tiny" Rowland, chief executive of Lourbe, the international trading conglomerate, has increased his own personal shareholding in the group by 5m shares, worth more than He has exercised an option

granted elmost two years ago, as part of a deal that saw Londo buy u stake in part of the hotel interests of multi-millionaire Mr Daniel K. Ludwig. Mr Rowland's personal interest in Lourno now amounts to 44.4m ordinary shares, representing 16.94 per cent of the equity.

NOLTON OFFSHOOT BUYS THORNPROOF Carr and Day and Martin, n member of the Nolton Group, has purchased the assets of

Thornproof, manufacturer of waterproof, manifacturer of waterproof waxed cotton jackets for use in field sports activities. Its sales force will be merged with Carr and Day and Martins' equestrian care sales force to form a joint marketing operation. Other-products manufactured

by Carr include ear eare products, shoe and furniture polishes and portable stoves for the Ministry of Defence.

W. WILLIAMS W. Williams and Sons has

agreed with the reciever of Allisons Motors to acquire the BMW dealerships and motor sales and service businesses operated respectively by them in Doocaster and Hull for £177,000

Williams has also agreed to take on the liability from the receiver of claims for repayment of stock financing loans amounting to £88,000.

Pergamon buys technical publisher

Pergamen Press, Mr Robert Maxwell's privately-owned pub-lishing group, bas ecquired the entire issued capital of the technical publishing company, R. Pollard Associates, for an undisclosed sum.
Pollard, based at Baldock,

Herts, employs 75 people and hes an annual turnover of £1.5m £2m. The company is profitable, Perzamon said. Pergamon said.

Pollard specialises in technical manuals produced alther inhouse on the besis of information provided or by supplying engineering staff and authors to industry in the offshore oil, aero-

space, marine, construction, petrochemical and general perrocoemical and general engineering fields.

Mr Tim Wood, former tech-nical director of Pollard, has been appointed managing director, while Mr Ray Pollard, the founder and managing director, will remain as a con-sultant to Pergamon.

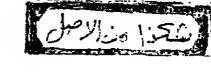
sultant to Pergamon.

Pergamou already supplies similar services to industry and government departments at home and abroad through its Technical, Manuals, Training and Reprographics subsidiary.

Pollard will operate as a separate company within Pergamon. It will attempt to excand its husiness in New York and Pergamon.

expand its business in North America and the Middle East, BESTOBELL

Bestobell has acquired Sparking a UK subsidiary of Envirotech Corporation and Baker International of the U.S. The cash consideration is approximately \$1.33m. The company is based at Eur-gess. HH, Sussex, and is engaged in the manufacture of propeller meters and ultrasonie time of flight flowingters.



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SUMMARY OF THE WEEK'S COMPANY NEWS

Take-over bids and deals

Midland Bank is selling a 40 per cent stake in its merchant banking subsidiary Samuel Montagu to Aetna Life and Casualty, the largest quoted insurance concern in the U.S., for a cash consideration of £66.1m.

Also on the insurance front, Equity and Law Life Assurance, which already has interests in West Germany and the Netherlands, is paying approximately 54m to acquire Belgian insurance group L'Union Europeenne.

Engineers Babcock International is to sell its loss-making construction equipment business to IRH Holdings, a West German company, for around £10m. At the same time, Babcock acquired just over 10 per cent of the IBH equity for £19.3m.

Industrial and agricultural combine J. Bibby has agreed to pay 210m in cash for the European laboratory glassware activities of Corning Glass Works of the U.S.

Commodity traders S. and W. Berisford, currently involved in an acrimonious battle for control of British Sugar, has sold its UK sugar merchanting businesses to independent importers and merchants Napier Brown for £1.76m cash plus £4.8m in dividends. The disposals mean that Berisford will no longer merchant Tato and Lyle sugar products, thereby removing a possible objection by the European Commission's competition directorate on monopoly grounds.

Tarmac has paid the nominal sum of £1 to acquire Scottish Cities Investment Trust's 75 per cent stake in loss-making moulders Long and Hambly. The usual conditions requiring a similar offer to be made to minority shareholders have been waived by the Takeovers and Mergers panel.

_	Value of			Value	
Company		Market		of bid	
bid for	share**	price**	piq .	∓m,≥	• Bidder
P	rices in p	ence unles	s otherwi	se îndic	ated.
AAA Inds¶	4118	38	35††	1.67	Glossop
Braid Group	58*	58 -	42	2:74	Lookers
Bri (Northrop .	18*	17 .	12	0.31	Padworth Invs
British Sugar	470*	455	470	139:53	Berisford (S &-W)
Eva Inds	44	35	44	2.38	Anglo-Indonesian
Federated Land	175*	173	142	19,03	BSC Prist Funds
General & Comm	286111	260.	235	15.32	Britannia Arrow
Gordon (Luis)	22*§	21	20 ††	0.37	
Grant Bros¶¶	190*	186	218	2.28	Jadepoint
Johnson Gp Clars	2945§ .	2911	179	31.85	
Mixconcrete	155°	173	115	14.41	Pioneer Concrete
NCC Energy¶¶	25*\$	24	35†t		Cook Int
North (M. F.)	37*	36	31 '	9.25	Messrs D. & F. Barelay
St George's Group	154§§	146	139††	7.61	Spring Grove
United Gas Inds	135*\$	136	100	15.37	Hanson Trust
Welbeck¶¶	52 <u>1</u> §§	50	43	2.85	Canston (Sir J.)
Wikn & Michiliss	1	5	18	0.06	Centreway

Berekeley Exploration and Production—Is raising 54.97m by way a one for one rights issue at par and is seeking a quotation the Unlisted Securities Market.

Company	Year		ax profit E000)	Ear	nings* per sh		dends*)
							 -
Altken Humo	Mar	769	(160)	18.1	(5.1)	6.0	(5.5)
Allied Colloids	Apr	9,590	(4,040)	12.1	(5.8)	3.11	(2.73)
Assoc Brit Engu	Mar	793	(468)	4.6	, (3.8)	0.55	(0.5)
Black Arrow	Mar	535	(440)	4.8	(4.2)	2.75	(2.5)
Bristol Post.	Maz	1,950	(1,040)	20.8	(11.0)		(11.0)
British Land		6,330	(4.730)	5.9	(6.8)	0.5 ·	(0.25)
Cawoods		16,710	(13,520)	_	()	_	()
CH Industrials	Apr.	41	(701)	10.1	(25.8)	1.4	(2.42)
Centrol Secs	Mar	1,010	(840)	4.7	(3.5)	2.76	(2.1)
Crown House	Mas	2,560	(2,090)	5.1	(25.7)	5.25	(5.25)
Davy Corpn	Mar	20,420	(18,750)	16.0	(14.2)	7.37	(6.7)
Fairdale Textiles	J20 "	.96	(202)	1.3	(3.3)	1.2	(1.5)
Fobel Intl	Dec	2,108	(36)	3.4	()	1.4	(1.14)
Fuller Smith	Apr	2,000	(1,400)	44.2	(43.0)		(6.3)
HME	Mar	22,570	(23, 230)	7.3	(8.9)	8.0	(11.0)
Hampson Inds	Mar	509	(544)	1.5		0.75	(0.75)
Hogg Robinson	Mar	· · 8,510	(9,020)		(12.5)	6.0	(6.0)
Illingwth Morris	Mar	1,260	(2,410)	L 20	()	0.75	(0.55)
Initial	Mar	22,920	(19,710)	28.6	(22.4)		(9.0)
KK Rubber Ests	Mar	568	(676)	7.1	(7.5)	5.0	(5.0)
London Inv Tst	Mar	968	(852)	1.8	(1.6)	0.88	(0.88)
Mercantile House	Apr	14,400	(7,330)	41.1	(25.9)	14.0	(8.75)
MFI Furniture	May	15,120	(11,780)	6.2	(5.9)	2.8	(2.62)
Radiant Metal	Feb	122	(188)	4.3	(3.9)	2.0	(3.0)
RFD Group	Mar	1,040	(813)	6.0	(5.8)	2.8	(2.8)
Rothmans Inti	Mar	105,200	(71,200)	30.2	(12.9)	4.4	(3.65)
Sheffield Hises	Mer	211	(212)	4.9	(4.9)	24	(2.4)
Siebe Gorman	Apr	4,040	(3,5101		(20.2)	7.74	(7.26)
Sommerville (W.)		25 822		L 5.9	(-)	1.55	(1.1)
Star Computer	Apr	1,120	(740)	11.5	(10.0)	2.0 2.25	(-)
Strond Riley	Mor	5407	(609) (1,280)	10.9	(6.2)		(1.5)
Sykes (Henry) Syltone	Mor	1,180	.(541) آر (541)	24.2	() (9.1)	9.0	() (9.0)
	Mar	187	(278)	6.9	(8.3)	3.25	(3.25)
Tex Abrasives	Mar	2241	(368)1		(84)	0.15	(0.5)
Victorian Carpet Vinten Group	Mar	2,420	(2,020)	9.5	(7.4)	2.1	(0.5)
Wellman Engn	Mar	1,080	(656)		(0.2)	3.35	(3.35)

PRELIMINARY RESULTS

INTERIM STATEMENTS

Company	Holf-year to		x profit 100)	Interim dividend per share (p)		
Beritfords	May	302	(212)	1.4	(1.2)	
Birmid Qualcast	May	427	(1.810)L	0.1	(0.1)	
Bootham Engns	Apr	146L	(83)L	_	()	
Bullough	Арг	2,320	(1,730)	4.7	(4.2)	
Cardiff Prep	Mar	61	(20)¶	0.6	(0.6)	
Dentsply	May	547	(956)L		()	
Dewhurst & Print	Mar	22	(349)L	0.15	(-)	
Drake & Scull	Apr	1,930	(1,360)	1.25	(1.25)	
Gestetner	May	4,650	(4,190)	1.25	(1.25)	
Habit Engn	Mar	9	(86)L		(一)	
Lovell (X. J.)	Mar	1,150	(1,010)	1.13	(1.13)	
Norfolk Capital	Mar	359L	(197)L		(—)	
Scan Data Inti	May	79	(141)L		(- -)	
Westminster Pro York Trailer	p Mar June	43 375	(182) (835)L		()	
(Figures in			be corresp	onding pe		

 Dividends are shown net except where otherwise stated.
 † For 15 months. ‡ For previous 12 months. ¶ Corrected from last week

Offers for sale, placings and introductions

Intereurope-Plans a listing on the Unlisted Securities Market. Multitone Electronics-la seeking a furl Stock Exchange listing by way of an offer for sale by tender of 36,675,000 shares at a minimum price of 120p.

Twinlock-Intends to join the Unlisted Securities Market,

Scrip Issues

Allied Colloids-One for five.

MINING NEWS

Amax loses more in the second quarter

BY KENNETH MARSTON, MINING EDITOR

MERICA'S major diversified were molybdenum, base and natural resources group, Amax, precious metals, phosphata, went deeper into the red last potash and aluminium. On the quarter. The net loss reported of \$42.7m (£24.3m) makes a loss for the first half of this year of \$48.5m, equal to 94 cents per

This compares with net earnings in the first helf of last year of \$165.2m, excluding \$46m gains the sales of oil and gas

The group's business sectors

potash and aluminium. On tha other hand there were increased earnings from energy and iron

Sales for the first half of 1982 were \$1.4bn, compared with \$1.5bn in the same period of 1981. Lower sales of molybspeciality metals, potasb and lead were largely offset by most severely depressed by weak higher sales of coal, nickel markets in the latest quartar tungsten and iron are.

Hard times for the nickel producers

to a deficit of C\$5.84 per share, for the first half of the year is reported by Canada's nickel-producing Falconbridge. It compares with a net profit of \$16.5m. in the same period of last year. interest rates and weak demand first half of last year. metals," says the company, "have combined to present Felconbridge and the mining

This follows yesterday's news that the nickel industry leader. Canada's Inco, has lost a further US\$36.9m (£21m) in the second quarter. It makes a half-year loss of \$69.7m compared with Continuing high inflation and net earnings of \$79.8m in the

Inco has also announced that with resulting unsatisfactory loco has also announced that prices for base and precious it is to defer completion of that big Thompson open-pit mina project by one year to early 1986 in view of the need to cut back on capital spending in the curiodustry as a whola with the on capital spending in poorest business conditions since rent business climate.

Joseph Webb falls and warns of a bleak year

BASE LENDING RATES

REDUCED contribution from at 0.511p net with a final of its holidays and leisure interests as left pre-tax profits of Joseph lugs per 5p share fell from 1.7p to 1.5p. its holidays and leisure interests bas left pre-tax profits of Joseph Webb down from £561,182 to K435,405 for the year ended March 31, 1982, on turnover of £5,27m, against £4,97m. At half-way, taxable figures were £31,000

lower at £240,000.
On the future, the directors warn that in the absence of any firm signs of improvement in consumer spending, it is difficult to forecast other than a black year being in prospect for the

current 12 months.

Trading profits from holidays and leisure fell from £750,383

On capital increased by tha one-for-ten scrip issue, the year's showed a dedivideod is effectively unchanged to £410,669.

Amro Bank 12 9 Henry Ansbacher 12 9

Arbuthoot Latham ... 12 % Associates Cap. Corp. 12 % Banco de Bilbao 12 %

Bank Happalim BM ... 12
Bank of Ireland ... 12
Bank Leumi (UK) plc 12
Bank of Cyprose

Bremar Holdings Ltd. 13 Brit. Benk of Mid. East 12

Brown Shipley 12 % Canada Perm't Trust... 13 % Castle Court Trust Ltd. 124%

Cavendish G'ty Tat Ltd. 13 %
Cayzer Ltd. 12 %
Cedar Holdings 12 %
Charterhouse Japhet 12 %

Choulartons 13 %
Citibank Savings 112 %
Clydesdale Bank 12 %
C. E. Coates 13 %
Comm. Bk. of Nr. East 12 %

Consolidated Credits... 121%

Co-operative Bank 12 %

Exeter Trust Ltd. 13 % First Net. Fin. Corp.... 15 % First Nat. Secs. Ltd.... 15 %

Corinthian Secs. 12

The Cyprus Popular Bk. 12

E.T. Trust 12 Exeter Trust Ltd. 13

mical

HARM

The group's property and investment income rose from £124.594 to £138,334 in the year, while the estate development sector made a small contribu-tion of £7,747 (nil). Overall group trading profits of £731,546 (£833,977) were struck after depreciation of £360,936 (£328,818)

loterest charges were reduced from £322,795 to £296,141. After a lower tax charge of £24,736 (£99,054) which included adjust-ments of £37,494 (£10,881) in respect of prior years, net profits showed a decrease from £462,128

Members of the Accepting Houses

Committee.
7-doy deposits 9%. 1 month 9.25%.
Shert term £8,000/12 month 11.6%.
7-dey deposits on sums of: under
£10,000 9%. £10,000 up to
£50,000 92%. £50,000 and over

\$ Call deposits £1,000 and over

Morgan Grenfell 12 % National Westminster 12 % Norwich General Trust 12 P. S. Refson & Co. 12 Roxburghe Guarantee 124 Trade Dev. Bank 12 Trustee Savings Bank 12 TCB 12 United Bank of Kuwait 12 Voikskas Intl. Ltd. ... 12 Whiteaway Laidlaw 1215
Williams & Glyn's 12 %
Wintrust Secs. Ltd. 12 %
Yorkshire Bank 12 %

The Jeffery Letter
THE SOUTH THE MENTER
Published by Presaminater Limited

21-dev deposits over £1,000 10%. Demand deposits 8%. Morrgage bese rate. 100 Park Street London WIY 3RJ Tal: 01-499 7374 Gentlemen: Please send compil mentary Jeffery Letters and Fund

details to:

Institutions force Heathcote to quit as Allied Plant boss BY DOMINIC LAWSON

Residential.

Plant and Thames Investment

and Securities. Allied Plant bas

a near 29 per cent stake in Allied

Last month Allied Residential

£178 139 for the nine months to

the end of 1981. When Allied

Residential came to the market in May 1981 the profits of at.

least film were forecast for the year to March 1982.

Hunt Chemical

Net income at Philip A. Hunt

Chemical Corporation, the U.S.

manufacturer of specialty imag-

ing chemicals in which Turner &

Newall has a 63.5 per cent stake,

climbed by 44 per cent from

\$2.78m to \$4,02m in the first half

of 1982, equivalent to an increase

from 30.49 to 30.71 per share.

advances 44%

Both Mr Law and Mr Heath-cote denied that the performance £1.95m.

MR MICHAEL HEATHCOTE has housebuilding interests of Allied of Allied Residential was conbeen replaced as chairman of Allied Plant Group, the plant hire and construction company, following pressure from institureholders

Allied director Mr William Law, wil be chairman on a care-taker basis. The Allied board is consulting with the company's major institutional shareholders with a view to appointing a new

Mr Heathcote said yesterday colleagues felt that some one else woold do the job better. The institutions wish to put in their own chairman, but I do not know the reasons for their dissatisfaction. They regard themselves as pretty influential

Mr Heathcote said that he would continue as a director of Allied Plant, "but no one has asked me what I'm going to do, I'm sure that I will be treated

Mr Heathcote said that the institutional shareholders involved in the decision were tha South Yorkshire Pension Fund, the Menteth Investment Trust, and the Temple Bar Investment Trust (part of the Electra Sales for the period were some group). These institutions bold between them about 20 per cent These institutions bold \$5m higher at \$59.8m. of Allied Plant's equity.

Mr William Law, the new caretaker chairman said yesterday "quite simply, Mr Heathcote bas resigned. There has been a disagreement in policy with institutional shareholders. Certain things have happened in the last year that have made them unhappy."

A month ago Allied Plant announced full year profits of £44,000, and paid a token 0.01p divideod.

Mr Heathcote is chairman of Allied Residential, which was formed last year out of the

Boom Due as Dollar's Reign Ends

Multinationals, Oils

to Lead Resurgence

An American high-technology imnovator opends Smillions establishing marketing facilities in Europe and Asie; and audienty hard currencies collapse white the dollar scare elong with U.S. interest retes. Profit mergins on export seles evaporate; and profits at home are squeezed by bank charges and the cost of developing new-generation products capable of broadening markets further as that mounting votume can overcome the deficiency. But than interest rates plummet again because of a widely overlooked inverse relationship to the exploitation of mensy, market lunds. Rebounding hard currencies boost margine showed while failing rates and completion of cyclical development phases send profits surging again at home. The Jeffery Latter has been detailing the timing and growth-generating impact of this scenerio since celling rock bottom for U.S. Treasury Bonds lest summer at levels \$10 below where they are new. Along the way reports pegged interim squity-market bottoms in effected shares ranging from Commodore. Motorola, NCR and Tesce instruments in New York to GEC. Plessey and Rack in London—with lund-management strategies invelving use of margin and cell options plus inture-delivery contracts of related instruments so that equity of the key Jeffery-meneged growth medium was up 45 per cent only a few months. Instruments so that equity of the key Jeffery-meneged growth medium was up 45 per cent only a lew months into the turn. What will happen next it Jeffery is right about full-scale revivals and eventual cruptions in new highs in long-depressed New York U.S. technology exporters such as Amdahl. Cray. Mohawk Data and Prime Computer? To understand potentially the mose potent updraught in 20 years Computer? To unconsume positively the most potent updraught in 20 years —and to cas how it goers to gold and oil—you may stall receiving weekly Jeffery reports as a complimentary basis. Simply phone or return the

APPOINTMENTS

Mitchell Cotts Engineering has new managing director

Mr B. T. Griffiths has become managing director of MITCHELL COTIS & CO (ENGINEERING). This is the Birmingham-based bolding company for Alldays Peacock, Cab-Craft, WDS Tooling Alds, Temperate Filtration, Mitchell Cotts Chemicals, Mitchell Cotts Mining Equipment and Mitchell Cotts Preci-sion Engineering. Mr Griffiths has bean with Mitchell Cotts sinca 1970 when he joined Alldays Peacock in Birmingham, becoming its managing director

A new managing director bas been appointed for TUDOR WEBASTO. He is Mr Alan Garnett, who was managing director of the International Disposablas Cpn. He takes over from Mr Bill Craven who is managing director of Coventry Net income at DRG Canada vas down from CS3.23m to C\$1.37m in the six months to June 30 1982. Sales fell from C\$56.06m to C\$52.2m, a drop of Hood and Seating, a sister com-pany within the C.H. Industrials Group. An unchanged dividend of 11

lugs per share are down from 90 cents: to 38 cents before extraordinary items — these amounted to C\$208,000 last time Mr Stuart Charles Hancox and Mr William John Long have been appointed partners of MILTON. MORTIMER AND CO, stock-brokers in Exeter and Barn--and from 96 cents to 38 cents

Mr Jack Hubbard, chairman and chief executive, Reed Medway Sacks, has been elected president of EUROSAC, ioternational federation of sack manu-facturers. This is the first time that a British businessman has been elected.

Mr Dale L. Oliver has been appointed to the board of GROUP 4 TOTAL SECURITY. He is general manager of the company's cash in transit operation.

Dr J. Vennart has been appointed as an assessor at the Sizewell B public inquiry. He is director of the Medical Research Council's radiobiology unit, and will assist the inspector, Sir Frank Layfield, on matters concerning the biological effects of radiation and related issues. GUINNESS SUPERLATIVES a subsidiary of Arthur Guinness

and Sons, has appointed Mr Michael Hodge, formerly market-ing manager, to marketing director; responsible for the Guinness Book of Records and tha 62 other specialist subject titles. Mr Paul Jennings, formerly company accountant,



Mr B. T. Griffiths, managing director, Mitchell Cotts and Company (Engineering)

has been promoted to financial

Sir James Patrick Ivan Hennessy bas been appointed Chief Inspector of Prisons from September 1. He succeeds the iate Mr W. H. Pearce. Sir James was Governor and Commander in-chief of Beitze.

Mr Alan Robson has been appointed a director of RCA and a director and president of RCA INTERNATIONAL FINANCE.

TO TAMSA

TUBOS DE ACERO DE MEXICO.S.A.

man of Allied Plant.

Mr Law said that be was not

prepared to comment on the future of Allied Plant's stake in

Allied Residential. He said "we have made no firm decision on the future of our investments. There will be no overnight change of policy."

Yesterday the shares of Allied Plant were unchanged at Sip.

capitalising the company

DRG Canada

cents has been declared. Earn

declines

per cent.

US \$85,000,000

Floating Rate Notes due 1989

In accordance with the provisions of the Notes, notice is hereby given that the rate of interest for the period from 27th July, 1982 to 27th January, 1983 has been established at 14% per cent. per annum.

The interest payment date will be 27th January, 1983. Payment which will amount to US \$1,860.76 per US \$25,000 Note and US \$372.15 per US \$5,000 Note. will be made against the relative coupon.

July 27, 1990

1. Applicable

Next interest

July 23, 1982

interest rate:

Payment Date:

Payment Date:

Interest Payable on next Interest

relevant:

Bank of America International Limited

CRA Finance Limited

14%% perensum

January 27, 1983

BA Asia Limited

Agent

US\$7,187.50

per US\$100,000.00 Nominal

Guaranteed Floating Rate Bearer Notes 1990.

First series issued on July 27, 1982 maturing

Holders of Floating Rate Notes of the above issue are

hereby notified that for the next interest period from July

27, 1982 to January 27, 1983 the following information is



Resource Fund International, Ltd.

An open-ended fund which trades in futures and forward contracts in commodities, currencies and financial instruments

In reviewing the year to 31 March 1982, Mr. William G. Dubinsky, President, reports:

We are pleased to report that in our first full fiscal year of operations ended March 31. 1982, net asset value per share rose to \$1,620.92, up 50.6% from the prioryear-end.

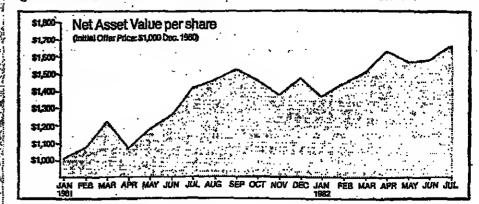
The year was particularly gratifying in light of the significant declines experienced in most stock, fixed Income, real estate and collectibles markets. We believe that 1981 provided solid evidence that the philosophy and willingness of our Trading Manager, Millburn Partners, to commit itself on the short or long side of markets, as conditions dictate, can provide our investors with meaningful gains in good or bad economic times.

Needless to say, most significant profits in 1981 came from short positions, specifically: non U.S. currencies, metals, and grains and ilvestock.

The world recession has been more enduring than many experts had forecast, and the 1982 outlook remains clouded by the uncertaintles of the recent past U.S. interest rate levels; political unrest in Eastern Europe, the Middle East, and Central and South America; and potential shortfalls in agricultural production in the Warsaw Pact countries.

We remain convinced that the commodity and currency markets traded by The Fund will continue to present profit apportunities In the coming year, and we look forward to participating in them.

William G. Dubinsky President



The month-and net asset value of Resource Fund International, Ltd. is listed delity in the Financial Times "Offshore and Overseas" liadings under the

Copies of the Annual Report are obtainable from: J W R C Nicholas, Quilter Goodison & Co., Garrard House, Gresham Street, London ECZV 71.H. Telephone: 01-600 4t77

USM INDEX 127.2 (-0.8) Ciose of business 23/7/82 Tel.: 01-638 1591 BASE DATE 10/11/80 100

THE TRING HALL

LADBROKE INDEX 578-588 (+6)

M. J. H. Nightingale & Co. Limited Telephone 01-621 1212 27/28 Lovat Lane London EC3R BEB Price Change div. (s) % Actual taxed
125 — 6.4 5.1 11.4 14.0
134 — 10.0 7.5 — —
71 — 8.1 8.8 8.1 13.8
43 — 4.3 10.0 3.6 8.1
228 1+ 2 11.4 5.0 9.6 12.1
110 — 15.7 14.3 — —
265 — 26.4 10.0 10.7 12.0
65 — 6.0 9.2 8.2 6.7
125 — 7.9 5.5 5.7 6.1
72xd — 8.4 8.9 3.7 7.0 | Company | Comp 83 78 102 72xd 53 98 - 110 106 126 214xd 82 153 24 84 248 George Bleir
Ind. Precision Castings
Isis Conv. Prel.
Jackson Group
Jemes Burreugh
Robert Jenkins
Scruttons "A"
Torday & Certisle
Unilook Heldings
Weizer Alaxander 7.4 14.3 7.1 7.8 9.3 7.0 7.5 12.5 7.6 8.3

18 WORLD STOCK MARKETS Companies and Markets **NEW YORK** July July 92 21 July July 101y 22 July July 22 21 Stock Columble Gas 283c Combined Intr... 213c Combustn. Eng... 233c Cmwith. Edison. 213c Comm. Satelite... 561c 2956 2156 2518 9218 GL Atl. Pac. Tes. GL Basins Pet.... Gt Nthn.Nekocsa July 22 2 159 33 MOM.... . | 65ફ .217રેડ્ડ chlumberger .. ACF Industries 31 AMF 164 ARA 284 AVX Corp. 1714 Gt. West Financi. 154 Dreybound 234 Grumman....... 30 fodem Mershal SLIGHTLY LOWER levels developed in sluggish trading an Wall Street yesterday when Stocks were up sharply at midsession as optimism about interest rates and the economy boosted prices. The Torzoto Composite Index put op 9.6 to 1,452.6, Metals and Minerals 19.9 to 1,375.3, Golds 36.8 tz 1,873.1 and Oil and Gaz 24.0 to 2,444.8. Over the local economy and the Colony's political future, but later partially recovered some of the lost ground. The Hang Seng Index was off naw loans, eased to DM 32.7. Brokers cited two primary conditions, for a DM 1,500 factors for the early drop on the market. The issue of Hong Kong's future after its lease from China Canada Searle (GD) Sears Roebuck . Security Pac..... ohasco..... enarch M/T 13 28 23 36 175 363 405 227 137 444 856 181 181 181 25 investors oervously awaited the Sedco Shell Cil.... Shell Frans Sherwin-Wine Signal Signode Weekly Maney Supply figures, due after the close. Cons Edison Cons Foods Cons Freight Con. Hat, Gas ... Conmuer Power Cont. Air Unes ... Contil. Corp Contil. Group ... Contil. Illneis ... Contil. Corp ... Contil Corp Contil Corp ... Contil Conti Handleman Hanne Mining Weroourt Brace... Harris Bancp Harris Corp By 1 pm the Dow Jones Indostrial Average was off 2.09 at put on 9.6 to 1,452.6, Metals and 829.91, reducing its rise on the Minerals 19.9 to 1,375.3, Golds week to 1.24, while the NYSE 36.8 to 1,873.1 and Oil and Gaz All Common Index. at \$63.79, 24.0 to 2,444.8. 265₆ 155₆ 814 33 141₂ 175₆ 451₂ 451₄ 461₆ 321₆ 225₆ shed 16 cents on the day but Gold and Mine issues were was still up 12 cents on the aided by a firming in Bullion week. Declips led advances and Metal prices. 10 to 12 to and Metal prices. by about 50 issues and the

Sperry Corp 217g Spring Wills... 2714 Square D 254 Squibb 381s STD Brands Paint 261g

| Std Off Cillornia | 253g | 2td Off Indiens | 365q | 365q | 5td Off Ohio | 99 | 5tanley Wks | 15 | 5tsurfer Chem | 15 | 5tsurfer Chem

Textron
Textron
Therme Electron
Thomas Betts
Tide water
Tiger Inti

onka..... Total Pet.....

ransway..... rans World...

81e 41. 201e 22. 1105. 245. 267e 513e 275e 3181e 3181e

Tri Continental 185 1866
Triton Energy 13 1834
Tyler 1844 1414
VAL 185 1878
UMC Inds. 816 814
Unilevar N.V 5748 4412 4818
Union Camb. 4856 43

Unit. Brands 75; Unit. Energy Res. 874; UB Fidelity C 37; UB Cypsum 281; UB Home. 131; US Inds. 21;

Virginia EP 1514 | 131

BE. 42 (26/1)

1720,35 (3/6) 147,25 (22/7)

8585,55 (17/8) 520,25 (8/7)

109,12 (1/4)

955,17 (20/7)

34.61 (18/7)

693,32 (29/4)

257.46 (7/7)

Norfolk Southern 443e

NOTOR SORTHER 445,
Whi. Am. Coal ... 221g
Whi. Am./Philips.
Not. State Pwr. 275g
Hordingate Exp. 234,
Northrop ... 534,
West Artines ... 276g
Wwest Bancorp ... 181g
Wwest Bancorp ... 181g

N West Airlines
NWest Airlines
NWest Inds
NWest Inds
Hwest Mutual
Nwest Steel W
Norton
Norton Simen
Cocidental Pet
Ocean Drill Exp.
Ouden

Ogden Ogliky & Mrth Ohlo Edison

Peoples Energy..

Peoples Energy
Popsico
Perkin Elmer
Petrie Stores
Petrolane
Prizer
Phelps Dodge
Phila Elect
Philips Sal'n Inc.
Philips Pet
Philips Pet
Plilloury
Philips Pet
Plilloury
Pliney-Bowes
Pittston
Planning Res ch.
Plessey
Polaroid
Prentice Hall
Prentice Hall
Prentice Hall
Prentice Gamble

Pub, Serv. E & G. 2078
Pub, S. Indiana 231e
Purex 2504
Purolator 2514
Quaker Oats 2514

Republic Steel... 1634
Resch Cottrell... 1114
Resch Cottrell... 2058
Revere Copper... 2058
Revere Copper... 2058
Revered ... 2058
Rexterd ... 2058
Rexterd ... 2058
Reynolds (R.1)... 4412
Rite Ald... 2058
Reynolds Mtls... 2014
Rite Ald... 2014
Rite Ald... 2014
Rockway Exps... 43
Robbins (AH)... 1418
Rochester Gas... 1358
Rehm & Haas... 51
Rollins... 2568
Rehm & Haas... 51
Rollins... 151g

July 22

678.01 669.1

509,3 (6/1) 711,7 (8/1)

428.8 (U)

Purex Purolator Quaker Oats.....

Nusky Oil..... Hutton (EF) IC Inds.....

Ideal Basio Ind...
Ideal Toy...
IGI ADR....
Imp Corp Amer...
INCO....

Intl. Paper ...
Int. Rectifier ...
Int. Tel & Tel ...
Irving Bank ...
James (FS) ...
Jeffin Pilot ...
Jewel Cos ...
Jin Walter ...
Jehnson Contr ...
Johnson & Jins ...
Kaiser Alum ...
Kaiser Alum ...
Kaiser Atel ...
Kaiser Steel ...

2,10

13,65

1352,2 (7)7)

510cks Closing 7raded price 473,700 29% 471,507 44% 442,209 37% 424,000 31% 408,600 61

Rites and Falls

2956 879 175-8 325-1 551 161-2 155-8 344-8 44-8 466-9 169-1

AUSTRALIA

JAPAN**

NORWAY Oslo SE (111/72)

SOUTH AFRICA Gold | 1858) Industrial (1958)

SWEDEN

SINGAPORE Straits Times (1996)

SPAIN Madrid SE (88/12/87)

BELGIUM Balgian 2E (61/12/65)

2378 | 24 1152 | 1158 3746 | 3514 1852 | 1856 9 218 6746 | 68 11

Dome Mines.....
Dome Mines.....
Donnelly (RR)....
Dover Corp....
Cow Chemical...

astern Airlines 5-8 astern Gas & F. 1536 astman Kodak... 77 aton 24

Eaton 294
Echlin Mfg 134
Echlin Mfg 134
Echlerd Jack 19
Electrenic Bata 263
Elect Memories 47
Emerson Elect 45
Emery Air Fgt 91
Emhart 291
Engelhard Corp. 20

thyl..... vans Prod.....

Am, Hoist & Ek...| 819 Am. Home Prod... 5958

Ban Cal..... Bangor Punta

Baxt Tray Lab.... Beatrice Foods...

Beker Inds Sell & Howell ... Sell Industries ...

Brown Crp..... Brown & Sharp... Brown & Starp... Browng Feiris...

Burlington Ind ... Burlington Nrthn

Carter Newley 12-56
Caterpillar 38-56
Celanese Corp 44-12
Centrox 21-13
Central & 5w 15-56
Champ Int. 7-56
Champ Int. 7-56
Champal HY 27-5
Chesies Poneum 12
Chrysler 7-56
Chubb 37-76

NEW YORK

Transport.. 316.92 318.47,318.50 517.90 322.63 221.18 265.46 (7/11 Utilities 187.18 187.88 188.20 167.55 187.57 187.14 118.95 Treding Vol.

Treding Vol. 55,870 66,770 51,060 58,030 68,740 83,880

● Day's high 839.71 low 823.73 indust'i div. yleid 🕱

STANDARD AND POORS

Indust'i P/E ratie

MONTREAL

Long Gov. Bond yield

July 9

63,95 63,90 63,93 63,54 71,20 61,70 (4/1) (7(7)

Indices

-DOW JOHES

13,42

7.80

13.37

High Low

TORONTO Composite: 1443,8: 1440,2: 1436,0: 1431,7: 1986,5 14,1)

20% 56% 27 53% 45%

NEW YORK ACTIVE STOCKS

Amstead Inds.... Anchor Hockg.... Anheuser-Sh..... Archer Daniels...

Slightly lower on Wall St

volume totalied a modest 36.6m (36.99m) shares.

Analysts said the market did not react immediately to news of Murray Weidenbaum's resignation as chairman of the President's Council of Economic Advisers, but reflected some disappointment 2ver Sal2m2n Brother economist Henry Kaufman's revised interest rate

forecast.

Kaufman predicted short-term rates would decline over the oear-term hut would then come under renewed upward pressure. Previously, he said rates would

climb irregularly.

Drugs were one of the weakest groups in the market, and the group's most active issue, G. D. Searle fell \$2 to \$34\frac{3}{4}. Ell Lilly were down \$1\frac{1}{4} to \$56\frac{1}{4}, Pfizer \$2 to \$59, Bristol Myers \$1\frac{1}{4} to \$581 and Squibb \$11 to \$361. Spokesmen for both Lilly and Searle said they knew no reason for the decline in their com-

ther \$14 to \$384 in heavy trading, following news of higher earn-Compugraphic rose \$1 to \$121 after reporting a third quarter profit compared with a year-

THE AMERICAN SE Market Value Index gained 1.63 to 255.93, making a rise of 3.93 on the week. Volume 2.74m (2.83m) shares.

Closing prices for North America were not available for this edition.

CANADA

Tokyo

Share prices fell slightly in light trading amidst uncertainty about its future course, with the Market Average aff 6.86 at 7.220.51 on a valume of 330m zhares.

Bio Technology essues gained ground while Motors, Steels and Heavy Electric Machine Makers eased. Light Electricals and Precisions were mixed, but C2m-munications firmed.

Non-Ferrous Metals declined in hectic trading after sharp rises io the past few days, and Oils were lower despite the yea's firmer toos.

Amoog Bio Technology issues, Kyowa Hakko rose Y30 to 612 and Mitsubishi Chemical Y9 to 248, with interest spraading to Drugs, Fods and Chemicals.
Nissan Motor fell Y23 to 735 and Toyota Y11 to 857, partly reflecting a 3.5 per-cent fall in Japanese motor vehicle output in the first half of 1029 from a

in the first half of 1982 from a In the retail sector, Grace Bros lost 30 cents to A\$3.05. Its Schlumberger improved a Rurher \$1\frac{1}{2}\to \$38\frac{7}{2}\times in heavy trading
oldowing news of higher earnngs.
Compagraphic rose \$\frac{7}{2}\to \$12\frac{1}{2}\times in heavy trading
oldowing news of higher earnngs.

Compagraphic rose \$\frac{7}{2}\to \$12\frac{1}{2}\times in heavy trading
oldowing reports that U.S.
hased Genentech, in co-operation
with Mitsuhishi Kassel and Kyowa suitor Woolworths shed 2 cents to A\$1.48 and Waltons eased 5

Hakko, had developed an agent that could help fight blood clots. Sozy rose Y40 to 3,200, despite news that General Electric of the U.S. filed a suit against Sony's U.S. unit for infringement of a patent for Thermoplastic resin.

Hong Kong Prices fell sharply at the also traced to a downturn in U.S. opening on continued worries interest rates and a firmer West

HOLLAND

BELGIUM (continued)

over the local economy and the German Bond market. Colony's political future, but As the Commerce

future after its lease from China expires in 1997 has been Paris discussed widely this week. French and Foreign stock A second factor weighing an A second factor weigning an the market was growing concern over the local economy. A local Chinese publication reportedly quated the Financial Secretary prices were marked up across the board in fairly across the boosted by the decline of the dollar and indications that the

Australia

cents to 65 cents.

livelier trading. Foreign investors

Prices posted a recovery in

markets seeking selected shares, a development that benefited markts as a whole as domestic

operators joined the trend.

The improved sentiment was

AUSTRALIA

Germany

as reiterating his projection that the economy will grow by 6 per cent, or less, this year, down from . interest rates may come down further. Also helping sentiment was the fact that Friday was the first day of the new monthly trading a forecast of 8 per cent in February. He also reportedly said that the budgeted Government surplus could turn into a deficit. Account,

Switzerland ...

Steady to slightly higher was a mildly upheat session ag-couraged by the weakness of the Share prices recouped early losses to close steady in moderate trading. The All Ordinaries Index closed unchanged at 473.4. dellar, the softening of interest rates and the resulting strength of the Bond markets. Swissair, off Frs I at 634 m

Most traders were waiting for clear direction from Wall Street investors who were assessing nervously traded as news among that it had suffered a Fire lin-loss in the first half year, no firm fresh signs of U.S. economic loss in the first half year, my from a year-earlier loss of Fix Him at the balf. The news dones are the heels of reports earlier in the week that the Airline is enthallying on a major cost-enting land, paign including a biring freeze and a reduction of its fleet. Market leader BHP closed 8 cents higher at A\$7.14, efter A\$6.86, despite, news that its annual profit slipped 26 per cent

Milan

Share prices reversed their recent declining trend to closed higher across the board, as the mood of the market brighteness on feelings that the Baltin

Most of the day's buying wind done by major Institutional investors, while the increased demend had also affected smaller operators, sparking position operations.

[JAPAN (continued)

CANADA			SELGIUM (CO	ntipided	•	HOLLAND	. 1		AUSTRALIA			INTAN (come		1
Stock	July	July .	July 23		+ 01	July 23		+ 6r	July 25	Price Aust. 8	+ or	July 23	Yen	1.00
	22	81		Frs.			Fis		ANZ Group	5.60		Kubota	830	
AMCA Inti	17	17	Petrofina Royale Belge	5,100		ACF Holding	86.4	+0,1	Acrow Aust	1.30	+0.03	Kumgaai Kyoto Ceramic	379	+80
Abitibi Agnico Eagle Alean Alumin	7.87	7.62	Sec. Cen. Banq. Sec Cen Beige.	2,405	-25	ARN	273	+0.2	Assoc. Pulp Pap	1.50	*	Maeda Cons	2.57	+8
Algema Steel	1 25 to	2534 1039	Sofina	. 3,270	-15	AMEV AMRO Bredere Cert	86.5	+0.4	Aust. Cons. Ind.,	1.80	-0.1	Makita Marubeni	720	3
SK MONTreal	1876	187g	Traction Elect	2,450	30	Bredere Cert. Boskalis West	153.5	-0.5	Aust Guarant, Aust Nat Inds	1.248 1		**************************************	661	-6
8k Hova Scotia Basic Resources.	3.20	231 ₄	VieilleMont	2,890	+80	Rubemone, Tel	55.9	-0.1	Aust. Paper Bank NSW Bive Metal Bond Hidgs	1.66 2.58±	-0.81	Matsushita	1.040	+20
						Caland Hid	28.0 164.3	+0.7	Bive Metal	1.45	-0.06 + 0.04	M'ta Elec Works, M'bishi Bank	688	
Bell Canada Bow Valley BP Canada	174	174, 145e				Euro Comm Ti	123	-	Bouganville	2.25 1.50	+0.05	M'bishi Coro	495 226	
		23 14 a				Gist_Brogades	76.6	+0.7	Brambies Inds	1.92	+0.07	M'bishi Elect M'bishi Ri East,	425	
B. C. Forest	J 3.45	3,45 71g	DENMARK			Neineken Noogovens	15.5	E.0+	Brambies inds Bridge Oil	2.52	+0.07	MH	177	-
Cil inc	1918	1236	July 23	Price	+ or	Hunter Dougla	18.6	+0.4	Brunswick Oil	Q.10 3.12	+0.08	Mitsul Co	511 500	-6
Can Cament, Can NW Energy,	84	81 ₄		.2.		Naarden.	86.0 24.7	-0.2	CSR	2.86	- Country	Mitsu-koshi	339 478	-2°
Can NW Energy.	224	2278	Andelsbanken Baltica Skand		,	Nat Ned cert. Ned Cred Bank	110.0	-0.1 -0.1	Cariton & Utd Castlemaine Tys	3,35		Hippon Denso Nippon Gakki	998	-2 -
Can Packers	9919	22	CopHandelsbani D. Sukkerlab	126	*********	l Ned Mid Bank.	109.5	+0.3	Do. Opts	0.40		Nippon Mest	367 880	-3 -5
Can Imp Book	185	20 185 ₄	Danske Bank	. 126		Hed Lloyd Oct Grinten	120	-0.5	Cockbarn Cent.	2,10		Nippon Shingan	769 155	:∓4) —3
Cdn Pacific	1 2534	27 145	East Asiatic Ferende Brygg	. 820	+7	Ommeren (Var Pakhoed	31.4 58.8	+1.0	Costain	1.95 1.35	+0.02	Nippon Steel	228	+1
Can Tire	34	34	Forende Damp., CNT Hidg	401 224	+1	Phillips	23.9	+0.4	Dunlop	0.38	-0.01	NTV	4,040 738	_10 _23
Chleftain	1912	194	Jydske Bank Nord Kabel	172		Robeco	202.7	-0.4 -1.3	Elder-Smith G.M.	1	-11.00	Misshin Flour	330	+3
Cominco	3934	3916	Novo Ind	. 1,815		Rodamco	1 188 3	-0.6 -1.2	Endeavour Res Gen. Prop. Trust	D.15 1.63	*****	Nisshin Steel	150 393	7
CONL Sk.Canada	65a	145 ₄ 65 ₄	Papirfabrikker . Privatbanken	122.2	*********	Royal Dutch	155.8 86.2	-0.4	Harmoon Frecov	1.88	-0.02	NYK	250 950	-4 -3
Costain	614	3.50	Provinsbanken., Smidth (FI)	119		i Slavenburg'i	78.2	.—U.Ə I	Hooker	1.62.1.	+0.02	NYK Olympus Orient Pioneer Renown	1.460	+40
Daon Devil Denison Mines	2,00	2.55 186g	S. Berendsen Superfos	507	.+2	Tekyo Pac Hg. Unilover	165 1	+10	Jimbalana 58c7p	0.14	+0.02	Renown	878	+5
Dome Mines Dome Petelurem	81g	6,50	SOPETIOS JAMES	34.4	+0,4	Viking Res	105 46.3	+0.1	Jones (D)	1.68 0.10	MILITARY.	Sanvo Elect	398	-4
					٠.	West Utr Bank	# # # F F	-0.1 +8.5	DI Maria Barris was say	X:95 L	+0.02	Sapporo #ekisui Prefab	250·	-
Dom Foundries.	14	504 14				WOOL OF BRIEF	75.0		Meskatharra Meridian Oil	0.18	÷0.06	Shielodo	881	+87
Comtar	1778 45	18	FRANCE						Monarch Pet Myer Emp	1,30		Sony	200	+40
Genstar Gt West Life	105s 1.80	11			. 1	ITALY .		.]	Nat. Bank	1.90	0.01	Sony Stanley Stomo Marine	218	-3
Gulf Gurrade	1418	14	Jely 23	Price	+or	117621)· 1		News Nicholas Kiwi	1.28	+0.94	Talhel Dengyo Talsel Corp	493 220	-8
Culf Stream Res. Hawk Sid. Can	1,60	1,80	Emprunt 44% 1876		+40	July 23	Price	+or	North Bkn Hill Oakbridge Otter Expl	1.40	0,00	Talsho Pharm Takeda	586 758	+4 -5
Nollinger Argus	234	234	Emorunt 7% 1978	6,690 3,280	+ 65		Lire		Otter Expl	0.30 1.40	*******	TDK	110	· ·
Hudson Bay Mng Hudson's Bay	1848	184 163	Air Liquide	472.5	+3.5	Assicur Con Banca Com!le.	124,185 51,1/6	+875	Pancon	0.13	∓Ö.0ì	Telkoku Oil	810	+8. 8
Nusky Oil	5 40	324g	Aquitaine	105.e 138.5	-2.3	Banca Com!le . Bastogi Fin Centrale	87.75	+88	Ploncor Co Queon Marg't G.	80.0		TB8 Tokio Marine	450	-2 -5
Imp Oil A	2418	2418	BIC	434	6.	Centrale Credito Varesin	4.800	+100	Santos	1.25		Tokyo Elect.Pwr.	838	-2
Indal	11 5g 10 4	104	BSN Cervals	1.400	+15	FlatFineider	1,481	+9:	Sieigh (HC) Southland M'n'2.	. U DO	4.44	Tokyo Gas Tokyo Sanyo	421	+1-
Inter. Pipe	184	18	Carrefour	1,495 533	4	Invest	21,800	+290	1	7		Tokyu Corp Toshiba	302	-8
Mac Bloedel	12	1836	CFAO CSF(Themson)	530	-2	Montedison	86,25	+80	Sparges Expl Thes. Natwide	1.65	**********	TOTO	405 436	+1
Marks & Spencer	2.82	-00	Cie Bancaire	182 1	+8:	Pirelli Co	2 110	-10 T	Tooth	2.88	······································	TOYOTH MOTOR	857	-11 +70
McIntyre Mines.	2834	90	Cie Gen Eaux	320 128		2nia Viscosa Tero Assie	DHU-		VRIIGHT CANA I	8 08		Victor	710:1	-6
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Power Corp	2.76	212 2.70	Michelin 8	612 768	+2	Bergens Bank Borregaard		-0.6		H.X. S		Cold Storage	5.80 ·	+0.94 -0.86
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BHP profits fall by a quarter

NET PROFITS at Broken Hill fit fall before extraordinary to company requests for higher A\$105.6m. and Proprietary, Australia's largest items was the more sharp, with restriction levels on steel company, with interests in the outturn of A\$150.3m, imports. suffered a setback of 25.8 per cent to A\$364.5m (US\$368m) in the year to May 31, on conventionally struck figures.

In addition, prospects for 5 ecovery seem bleak. Notably, BHP's steel division recorded its first loss since the late 1920s, and Mr Brian Lotan, the group managing director, says that no immediate improvement is foreseen in steel.

On BHP's own inflation accounting system, taking in a fixed asset value adjustment (FAVA) allowance, the net pro-

SBC registers

strong first

half results

By John Wicks in Zurich

SWISS BANK Corporation reports "good" operational earnings for the first half of

1982, with all sectors of activity

contributing to an improvement However, the bank warns

that the overall risa in risks

will make a further substantial

increase in provisiona necessary this year. Its interim report

also says that "the uncertainties

of the international economy

do not permit a reliable fore-

The bank Switzerland's second biggest, raised its net profits for calendar 1981 by 12.2

(\$155.4m)

cent to SwFr 321.7m

SBC's balance sheet total tood at SwFr 97.15bn

stood at SwFr 97.15bn (\$46.93bn) by the end of the

first half of this year, repre

senting a 9.6 per cent increase

in the second quarter-and one

of almost 11 per cent since the

end of last year. The marked

second-quarter growth is attri-

buted primarily to the business of branches outside Switzerland.

business, while total due to

banks increased by over 19 per

dollar and gold rates.

cent to SwFr 30.57bn.

against the previous year's In the new financial year, A\$258.1 — a cut of 41.8 per BHP has had little to look forcent. With allowance for extraholders under the company's system was 30.5 per cent down.

to A\$185.4m, from A\$266.8m. The extraordinary gains arose reduced inte mainly from the sale of the for minerals. group's 31.5 per cent interest in ARC Industries, the steel products and wire company, BHP sees the steel division

ward to. Its directors maintain ordinary items, however, the that the reduction in recent net profit attributable to share- profit was due to substantial wage and other cost increases and significant under-utilisation of production capacity, allied to reduced international demand

The group's total sales rose by only 6.6 per cent to A\$4.9bn while gross profit was reduced to A\$996m.

A\$154.9m after FAVA, com-pared with an A\$\$9.6m loss in 1980-81. The John Lysaght metals division profits showed a gain of 20 per cent to A\$35.5m pre-FAVA, and of 23 per cent to A\$19.1m after, while the minerals division made 6 contribution of A\$28.6m, down 25.7 per cent on the ooe basis, and showed a loss of A\$9.5m. against a profit of A\$4.4m, oo the

in the oil and gas division, there was a fall of 3 per ceot to A\$268.4m on the convenas depending for a change of The steel division produced mooal basis, and 5 rise of 4 direction on a favourable a loss of A\$12.6m on a conveoper cent to A\$263.2m oo BHP's Federal Government reaction tional basis, against a profit of hasis.

Trio-Kenwood falls into the red

TRIO-KENWOOD second largest specialist audio Sales ovar Christmas failed to equipment maker, has suffered absorb higher production result-a net loss of Y7.47bn (\$29.3m) ing in increased stocks. for the year ended May compared with a net profit of tion by 40 per cent to reduce Y785m a year earlier. As a lts stocks. Overseas sales fell 4 per cent in the year to account its dividend for the first time for 60 per cent of tha total. in 22 years. It paid Y9 a share last year.

Pre-tax profits fell 59 per cent to Y600m although sales rose by 2 per cent to Y64.12bn

sharp drop in demand in the a Y5.5bn write-down. In addi- paymeots.

Japan's year in the U.S. and Europe. Trio cut second-half produc-

Domestic sales, bowever, rose

Trio'a U.S. and European

tion, the company increased its reserve for bad debts by Y3.1ho. These adverse factors, which

contributed to Trio's loss at the net level, were only partly offset by a Y1.28bn gain from the sale of securities and other assets. The company expects little

in the current year are targeted at Y72bo up by 12 per cent, operating profits at Y1.2bn, np subsidiaries reported losses for by 100 per cent and oet profits the year exceeding their paid- at Y72bn, up by 12 per cent. The company suffered a np capital forcing Trio to take continue to withold divident

Turbulent outlook for MBB

BY STEWART PLEMING IN FRANKFURT

result of weakening world bus, orders for civil alreraft.

About one-third of the total increase was due to a rise in Customers' deposits went up 5.8 per cent in the second quarter to SwFr 57.51bn, also Despite the costs of Integrat- aircraft programmes. mainly the result of new foreign

ing VFW, net income increased The slowdown is already ing closely the development of from DM 51.1m to DM 58.5m making itself felt. Orders at end discussions for an expansion of (\$24.1m) in 1981 on sales 16.8 1981 stood at DM 9.4bn, but the Airbus "family" of aircraft.

WEST GERMANY'S leading per cent higher at DM 4.85m.

The dramatic decline in Although the completion last orders for new civil aircraft is year of the merger with VFW likely to have the most immediated gone smoothly, the outlook ate impact on MBB which for the next few years is for derives 52 per cent of sales revenues from civit and military

by the end of this year the aerospace group, Messerschmitt-Bolkow-Blohm (MBB), faces the build-up in production and DM 8.8bn. Sales for 1982, which difficult trading in the next sales of major projects, includ- had been expected to hit three to four years partly as a ing work on the European Air. DM 6bn, will probably only be DM 5.5bn.

MBB is concerned that the deteriorating conditions in the aerospace industry may force it to dismantle project teams. It is thus pressing Bonn for a decision on a new fighter aircraft programme and is follow-The slowdown is already ing closely the development of

Unilever to sell resins business to DSM

UNILEVER, the UK-based frozen foods to detergents giant, is planning to sell its chemical industrial resins business to DSM. the Dutch state-owoed chemicals group,

Unitever has chemical resin plaots in West Ger-many France, Holland and Sweden. The resins are iolermediates used in the making of a whole range of products including printing links, paper, textiles, wallpaper, adhesives and plasticisers for PVC.

for an undisclosed sum.

Unilever refused to say whether or not its industrial resins business was making a that the operation has been hard bit hy the reduced demand and weak prices that bave blt the entire West European chemicals industry.

Both DSM and Unilever apparently believe that the latter's resin business would be in a stronger position if it were part of the Dutch-based group's larger resin operation.

Unifever's industrial resin business employs some 800 people-all of them on the Continent rather than in the UK. DSM'a own resin operations, on the other hand, employs around 1,200 people.

The two companies said that a study of the social, economic and legal implications of a sale was being carried ont. They added that they believed there was a reasonable chance of agree-

If a deal does go through, it will mark one more-albeit small-step in the European chemical industry's attempts to restructure tiself.

A number of bilateral agreements involving such companies as Shell and Akzo and BP Chemicals and Imperial Chemical Industries have already been settled. All of them involve sales or swaps that will belp eliminate small, inefficient operations from what has become an overand loss-making West European marketplace.

Weyerhaeuser's earnings tumble in second quarter

at Weyerhaeuser, the world's largest timber, pulp, paper and packaging company, gathered the recession wrought havoc on main strong." ils major markets.

a share in the period. Sales dropped from \$1.2bn to \$1.1bn; Mr George Weyerhaeuser, pre-sidem and chief executive, said that "in response to the present market environment," the company is cootinuing its freeze on management sod professional employee salaries and taking

However, he added that, "even with depressed sarnings. pace in the second quarter as and our financial condition re-At the six-mooth point, earn-

Net carnings of the U.S. ings are 37 per cent down, from group slumped from \$74.9m to \$131.9m or 98 cents a share at \$26.1m, or from 55 to 1ft cents \$83.1m or 55 cents a share, on sales down to \$2.1bn from \$2.3hn.

Mr Weyerhaeuser commented that high interest rates had continued to depress the housing and huilding materials industries, which are among the company's major customers, that the strength of the dollar had

This year's setback in profits further steps to control costa cut into export prices and margines, while the recession was bringing weakening markets for pulp, paper and packaging pro-

Second-quarter earnings were reduced by 7 cents a share due to an increase in the group's 1982 tax accrual estimate. Pro-\$21m or 9 cents a share as a result of severance payments and related costs for employees whose jobs were eliminated during the quarter.

Cash flow generated by operations in the three months was down 23 per cent from a year

Italian banks to consider taking Ambrosiano stake

Ambrosiano

Meaowbile Sig

BY JAMES BUXTON IN ROME

THE SIX lialiao banks which have formed a consortium to rescue the troubled Banco Ambrosiaco are understood to bave confirmed to the Bank of Italy, the central bank, that they are prepared to take broader measures to support the Milan bank, over and above meeting its immediate financial needs. The bank was formerly run by Sig Roberto Calvi, who was found dead under Black friars Bridge in London last month.

It was always intended that the consortium, led by Bancs Nazionale del Lavoro, to provide not only stand by funds but also to safeguard the longerterm future of the hank if necessary by taking a shareholding.

The banks' intervention operation is confined to Banco Ambrosiano Spa, the Italian parent company, and covers the parent bank's own foreign exposure of \$1.4bm. It does not involve the Italian banks' taking any responsibility for the additional \$700m of exposure contracted by Banco Ambrosiano Holding in Laxembourg, a subsidiary of Banco Ambroslano. However, it is not yet clear what form the next stage of the rescue operation of the Italian

exactly bow the six banks might

Spadolioi, the listian Prime Minister, has said publicly that the rescue operation, sponsored by the state through the Treasury and the Bank of Italy. does not include the exposure of foreign subsidiaries of Banco Ambrosiano, If it were to do so he said, it would carry "the risk of favouring persons or institu-

bility for the financial diffi-

The aim of the Italian authorities is to persuade the Vatican Bank Istituto per le Opere di Religione (10Rt, to accept what they believe to be its responsibilities through its connections with the Luxem-

bourg concern's operations.

Sig Spadolini's remark is seen bere as a reference to IOR and its chairman, Archbishop Paul Marcinkus. Three senio figures in the financial world have been called in by the Varican to report on IOR's Milan magistrates have

ordered Sig Michele Sindooa and 25 other men to be sent for trial in connection with the crash of Mennini, managing director of parent company will take, or

Sig Sindona is already servtake an equity stake in Banco ing s prison sentence in the U.S. further three month delay.

DM 260m to be written off AEG loans

WEST GERMAN bankers in the consortium supporting the troubled electrical group AEG-Telefunken bave agreed to write off a Turther DM 260m (\$107m) of toans to the company as part of the bridging finance agree ment which has been reached with the German Government aimed at helping AEG out of its immediate liquidity problems. Bank officials in Frankfurt said yesterday that the Govern mem bad insisted on the additional write-off as part of the arrangement under which Bonn is giving export credit guaran-tees of DM 600m to AEG.

Last year the hanking con sortium agreed to write off DM 240m of loans to AEG. At that time it was widely recognised that a further DM 260m of write-offs would be nacded. The banks have also agreed to give the company new toans of some DM

Dupont pay delay

Dupont, tehe large chemicals company whose profits are being squeezed by the financing costs its recent \$6.850 acquisition of Conoco, has delayed salary increases for its white collar the Banca Privata Italiana in workers for the second time. 1974. Among them is Sig Luigi writes Our New York Staff. After delaying them for one month at the end of June, Du Pont said yesterday, added a

Companies and Markets.

COMMODITIES AND AGRICULTURE

Copper market lifted by rise in gold

improved hopes of more Metal Exchange ended

Dealers aaid the strength of the rise in copper reflected the sharpness of the earlier speculative sell-off, which took the price below £700 a tonne five weeks ago. They noted that speculative activity was evident this week's rise.

Renewed speculative interest. the rise in gold, also

3 months 0c.
Gold por oz...
Lead 0ash 5.
5 months §
Nickel
Free Markets c.l.f. lb...

Quicksilver*(76 lbs)...... !

nonths ber 62....

nul (Philippines).....

Organisms 52 Linseed, Crude Palm Malayan

METALS

WEEKLY PRICE CHANGES

£115.75 1-0.15

\$455y

\$310 \$254.75 u!

£939 £903.5 £1,118.5 79,10c £500 £282,75 +3.5

! Ungunted. (q) Medagaster. (a) October. (t) November. (v) July-Sect. (u) Aug. 12) Sept. (y) Aug-Sept. (a) July-Aug. * Nominal * Ghana cocce.

+0.75

+2

-7

\$2076/2175 ÷ 85

price rose to 405.4p a troy ounce, 33.65p up on the week.

may have been overdone

Lead and zinc prices had fol-

\$2750/\$50 \$2450/550 \$2075/125

£150 £158.00 £151.50

£108,50 £124,40 £107,80 £117,80 £118,75 £115,00

\$550 \$715 \$430 \$545

3465 3557.5 £353 ‡382.5

\$310 \$950

£109,00 1 + 0.90 £101,50 £111,60 £102,50

\$1,275 \$1,225

\$602,5

£452 \$685

COPPER PRICES moved fur- boosted silver. The bullion spot

ther shead following the rise in gold, which was encouraged U.S. interest rate cuts. Despite late profit-taking yesterday cash high grade copper on the Lon-£31.25 up on the week 8t £879.50 a tonne, the highest level aince last December.

SILVER 1982

lowed the copper rally until this week, when both ended signifi-J F M A M J J cantly lower. Cash lead was £12.50 down at £318.50 a tonne reported to be "borrowing" metal by selling three months while cash zinc fell £13.15 to and buying casb in an effort to £414.50 a tonne. Dealers sugtake the nearby surplus off the gested the rally lo these metals market. The fall was also encouraged by reports that Bolivia, which has dropped out Tin prices also came under pressure and despite the interof the tin pact, is seeking the vention of the International Tin early return of its buffer stock

Agreement huffer stock mancontribution. ager on tha LME cash high Cocoa prices on the London grade metal lost £402.50 to firtures market began the week £6:227.50. The buffer stock was by slipping to a new 12-month initial(v buying three months low because of disappointment delivery tin but yesterday was at the lack of progress towards effective price support measures at last week's meeting of the International Cocoa Organisation. Tha announcement of record West German second quarter cocoa bean grindings 1082

> Prices were quiet for most of the week but moved up aharply yesterday encouraged by a commission house "buy" recommendation and incressing concern over prospects for the lvory Coast's 1982/83 crop. 8hly heavy rain. A £19 rise yesterday left September cocoa £7 mp on the week at £903.50 a toune.

Rumours of further Indian sales helped to depress sugar values. Together with the decline in gold and the strength of sterking this led to the loss of much of the recent price rally and the London daily raw sugar price endsd the week £17 down at £107 s tonne.

Coffee prices were little changed despite 8 Columbian warning that the world surplus could reach "alarming proporover the next two years.

INDICES-

FINANCIAL TIMES July 82:July 21 M'th agoly ar ago 284,07 254.65 939.19 274.75 (Assa: July 1 1952 - 100) RELITERS July 25 July 22 M'th ago Y'ar ago 1556.8 1568.5 1518.6 1710.8

MOODY'S

July 22 July 21M th agoly ar ago 1011.4 1015.0 984.0 1065.4 (December 31 1831 - 100) DOW JONES Jones 22 | 31 | Rgo' ago 8pot 126,58 136,75,121,22 Futr's 128,04 127,75,120,66 (Bena: Occambar 21 1974 - 100)

BASE METALS

Amelgemeted Metal Trading reported that in the morning cash Highter Grado traded at £887 00, 86.50, 88.00, three traded at £837 00, 56.50, 89.00, 10.00 02 00, 04.00, 03.00, 02.00, 01.00 02 00, 04.00, 03.00, 02.00, 01.00 Cethodes, cash £862.00, three months £882.00, 81.00, Korb: Heisher Grade, three months £899.00, 98.00, 97.00, 98.00 95.0., 95.50, 98.00 Aftermoon: Higher Grade, three months £897.00, 96.00, 97.00, 96.50. 87.00, 97.50, 98.00, 57.50. 98.00, 57.50. 98.00, 57.50. 98.00, 57.50. 68.00, 57.50. 68.00, 57.50. 68.00, 57.50. 68.00, 97.00, 98.00, 97.00, 98.00, 97.00, 98.00, 97.00, 98.00, 98.00, 97.00, 98.00, 98.00, 97.00, 98.00, 98.00, 98.00, 97.00, 98.00, 98.00, 97.00, 98.00, 98.00, 97.00, 98.00, 98.00, 97.00, 98.00, 98.00, 97.00, 98.00, 98.00, 97.00, 98.00, 98.00, 97.00, 98.00, 97.00, 98.00, 97.00, 98.00, 97.00, 98.00

COPPER	official	+ or	p.m. Unofficia(+ 07
	£	2	£	£
NighGr de				
Cash	886 .5	+21.7		+14.7
3 mths	900-1	418,5,	295-6	+12,7
Settlem't	886,6	+21.5	_	
Calhodes .				•
Cash	262-3	+18	855.7	+14.5
5 monthe		+ 18	875-6	+15.5
Settlem't	863	+15		T 10.0
Porneu.r	605	* 14	P70 75	· · · · · ·

Tan—Morning: Standard, cash £6,220, 15, three months £6,340, 50, 60, 50 Kerb; Standard, three months £6,350, 60. Alternaon: Standard, cash £6,220, three months £6,350, 60, 65, 70, Karb; Standard, three months £6,380, 60. Turnovar, 3,340 tonnes.

Standard Cash..... 6215-20 -182 6225-30 -125 5 months 6345-50 -117 6360-8 -140 Settlem't 8220 -165 - Straits E: 389,15

Leed-Morning: Cash £316.00, thras months £336.00, 34.00, 33.00, 32.00, months 1336.00, 34.00, 35.00, 35.50, 30.00, 25.50, 28.50, 28.50, 29.50, Karb: Three months £329.00, 30.00, Alternoon: Three months £330.00, 20.50, 30.00 Karb: Three months £330.00, 29.60, 20.00, Turnover, 13.700 tonnes. LEAD Official - Unofficial

Zino-Morning: Three months £428.00. 25.50, 25.75, 25.50, 22.00, 23.00, 22.50. 23.50, 23.00, 22.50. Kerb. Three months £422.00, 423.00. Attantions: There 23.50, 23.00, 22.50. Aftarraon: Three months f422.00, 21.00, 21.50 Kerb: Three months f422.00, 21.00, 21.50 Kerb: Tumovar, 12.450 tonnes a.m. + er p.m. + or ZING Official — Unofficial — 1

Auminium—Morning: Cash £558.00, 56.50, three months £578.50, 79.00, 77.00, 76.50, 78.00 Karb Three months £576.00, 76.50, 76.00 Alternoon Three months £576.00, 75.00, 76.00, 75.50, 76.00 Karb Three months £576.00, 75.00, 74.00, 73.00 Turnover, 7.250 Ionnaa

a.m. +or p.m. +or Official - unofficial -: Spet ... 552-5 +2.5 555-7 +15 570-55 Nickel—Momiog: Tarse months £2,860, 50, 60, 55, 50, 50, 60, 55, Kerb: Three months £2,860, Attameon: Three months £2,650, 45, 40, 30, 25, 30, 33, 35, Kerb: Three months £2,825, 30.

Turnover, 1.152 tonnes.

+ or p.m. + or -Cente per pound, \$ US per kile. On previous anofficial close.

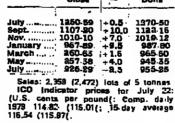
Silver was fixed 6.5p an ounce impher for spot delivery in the London bullion market yesterday at 405.4p. U.S. cant equivalents of the fixing levelor were aport 714.5c, up 2.7c; three month 738.1c, up 2 ic; six month 756.5c, up 9c; and 12.month 798.5c, up 8.8c. The metal opened at 406.408p (712.715c) and closed at 405.408p (713.717c).

SILVER | Buillon + or L.M.E. per | fixing - p.m. | lroy oz. prico | Unoffic'i.

COCOA Yestordey's
Close H or Business
Done

Sales: 2,728 (1,004) lots of 10 tonnes ICCO—Daily price (or July 23: 72,26 170,25). Indicator price for July 26. 70.08 (69.72). COFFEE

COFFEE Yest'day at + or Sustness



GRAINS

LONGON GRAINS—Wheat: U.S. Oark
Northern Spring No. 1 14 per cent. Aug
113.50, Sept. 112.50, Oct. 114 transhiomont East Coast seller. English Feed
lob, Oct. 115.50 East Coast. Sept. 112.50
paid Boston. Sept. 112.75 paid South
Coast. Maize: French. Aug 136 transhipmont East Coact aclifor. S. Allicen
White/Yellow, Aug/Sept. 89 asiles
Bartey: English Feed lob, Aug. 105
South Coast seller. Rest unquoted. WHEAT

Yesterd'ys +or Yest'rd'ys +or Mnth Sept. 110.30 +0.45 105.05 +0.15 Nov... 115.75 +0.15 109.00 +0.10 Jan... 117.45 +0.46 118.60 +0.39 Mar... 120.70 +0.45 115.75 +0.45 May... 124.15 +0.45 118.85 +0.40 109.90, Nov 113.75-113.45, Jan 117.35-trades. Salas: 56 lots of 100 tonnos.

LONDON OIL SPOT PRICES

Latest + or -CRUDE OIL-FOS (8 per barrel)

PRODUCTS—North West Europe CIF IS per tonne

Barley: Sept 105.10-104.90, Nov 109.00-108.80, Jan 112.60-112.30, Merch 115.75-115.30, May 118.85-118.50. Sales: 366 lots of 100 tonneo.

HGCA — Locational ax-larm spot poces. Feed barley: Factors 100.30, E Mide 100.10, N East 57.00. The UK Monetery Coefficient for the weak beginning Monday July 25 is expected to terminal line barley in the large in the

RUBBER The London physical market opened about unchanged and was inactive throughout the day. Lewis and Pear recorded an August feb orice for No. 1 RSS in Kuela Lumpur of — (197.25) comes a kg and SMR 20 — (172.0).

No. 1 | Yest'r'ys | Previous Business R.5.2 | close close Done

Aug ... 50.80-51,50 50,00-61,50 —
Sapt .: 51,10-51,30 51,00-51,80 Oct. One 52,60-52,80 52,80-52,80 52,80-52,70 Oct. One 62,60-52,80 55,50-56,40 55,60-55,40 Apl ... Jne 54,16-16,37 55,50-56,40 55,60-55,40 Apl ... Jne 56,16-16,30 50,60-60,70 Oct. One 58,46-83,50 10,30-52,48 88,40 Jn. Mch 65,76-88,90 59,80-80,80 —
Sales. 35 (136) lots of 15 tonnas nil (nil) lots of 5 tonnas Physical closing pricas (buyers) were: Spot 48,25p (same): Aug 51,25p [51,00p(; Sept 51,75p (51,25p).

SOYABEAN MEAL

Stronger sterling prompted a sightly weaker opening, reports T. G. Roddick Pness sased lurther on commission house selling. Yesterdys + or Business Glose - Done

per bonne 125.00.24.5 — 0.56 126.20.22.4 — 1.10 126.03.54.5 — 1.05 136.35.50.5 — 1.05 136.36.36.7 — 1.35 136.80.36.7 — 1.35 136.80.36.7 — 1.35 136.80.36.7 — 1.35 136.80.36.7 — 1.25

SUGAR

LONGON GAILY PRICE—Raw auger £107.00 (£109.00) a lonna of July-Aug-Sept ahroment White auger daily orice Sept ehroment (129.00 (seme).

Aug 108.50-88.75 (99.08-98.25 110.88-97.00 Oct 115.75 10.15 114.75-14.85 117.80-12.50 Jan ... 120.00-25.00 117.90-28.90 March 129.16-29.00 128.80-20.65 (80.08-26.00 May ... 132.00-32.15 150.71-60.75 132.50-28.75 Aug 135.58-56.00 154.00-24.75 185.00 Oct 133.55-40.00 158.00-40.80 158.00

GAS OIL FUTURES The weaker dollar, leading to strong physicals, brought the market in sharply higher. An easing of in prices met good buying and the market remained steady. Long liquidation and alrong U.S. commission house selling

Yest'day'e + or Business close - Dena + 1.58 288.08 46.50 + 3.00 268.53 + 2.75 + 9.58 289.00 + 3.002 289.78 + 2.75 289.50 + 9.58 Turnover: 4,984 (5.071) lots of 100

and £212.50 (£215.00) for export.

Tate and Lyle dolivery price for cants per pound(fob and etowed granulated basis white suger was C405.90 (some) a tenno for home trade Daily price 7.37 (7.57(: 15-day everage can be c

AMERICAN MARKETS

NEW YORK, July 23
HEATING OIL was lower on selling prompted by a reduction in cride prices by Ecuador Arbitrage buying and rumours of heavy damage to the Ivory Coest cocoa crop from excessive rens put the market moderately highor. Sugger was mostly lower on reports of Indian setting, after erbritage buying rallied the market earlier. Coffee backed off following delays in arearian reging rathed early but could not hold eli their gains as interest rates dropped lower. reported Heinoid Coppor—July 67 30 (66.95(, Aug 67 00 (67.25(, Sept 68.15-68.35, Dec 70.20)

105. July 75.55, Sept 77.50, Oec 79.70, Jan 79.85, March 81 30, May 83.35. Sales: 11,000.

106. 423, Aug 52.00, April 61.50, June 52.00, April 61.50, June 52.00, April 61.50, June 52.40, July 52.62, Aug 50.00.

115. 10 00.

128. 8. 86 1 75-62.00, April 61.50, June 52.00, April 61.50, June 52.00, Aug 52.00, Aug 52.00, Aug 52.00, April 61.50, June 52.00, Aug 5

269.5, Oac 375 0-377.0, Feb 382.5, April 392.0-392.5, June 399.1, Aug 407.0, Out 415.1, Oac 423 3, Feb 431.6, April 440.0 Potatoes (round whites)—Nov 68 0 [66.2], Feb 62.5 (68.0], March 77.0. April 86 2. Sales: 622.

**Silver—July 729 0 (697.7], Aug 725.2 (698.3], Sapt 728.0-738 5, Oac 753.0-767.0, Jan 770.0, March 790.0, Moy 804.0, July \$10.0-820 0. Sept 829.0. Oac 833.0. Jan 861.0, March 277.0, May 405.0 Handy and Harman bullion apot:

T 200.5- 201.0, Aug 20.5-201.0

Soyabean Oil — Aug 15 67 15 66

J18.81(, Sep.) 18.85-18.84 (18.80), Oct 18.96-18.97, Dec 19.35-19.34, Jan 12 60-18.85, May 20.15-19.35, July 20.50-20.51, TW/reat—Sapt 351-351², (350²4), Dec 373-373², (372²4), Maych 2082², Oec 853.0. Jan 801.0, Merch 877.0, May 905 D Handy and Harman bulkon apot: 721.00 (692.00). Sugar—No. 11: Sapt 7.46-7.47 [7.55]. Oct 7.55-7.80 (7.75). Jan 7.90-8.10, March 6.70-8.72, May 9.00, July 2.15-918, Sept 5.45-6.55, Oct 9.80. Sales: 13.120 7 120, Tin-518.00-522.00 [519.00-523.00]. Lard-Chicago logge 24.00 (20.00).

Lard—Checago loosa 24.00 (23.50) Live Cattle—Aug 63.07-83.00 (63.40). Oct 61.70-61.80 (61.77). Osc 62.80-Thursday's closing prices 11Cocoe—Sapt 1393 (1403). Oec 1454 (14656, Mar 1515. May 1560, July 1503, Sept 1645. Sales: 1,375. Coffee—"C" Contract: 5-ept 124.50-124 90 (123.00(. Dec 115.00 (115.38), Mar 111.25-111.50, May 108.75. July 105 10-106.00, Sept 103.00-105.00, Oec 102.00-103.50 Sales: 2,400. Contract. Sept 71.60-71.70 Cotton—No. 2: Oct 71 60-71.70 (71 42(. Occ 73 50-73.75 (73 40(), Mer 75.65-75.5, Mey 76.95-77.10, July 77 95-78.20, Oct 76.90-77 00, Occ 76 60.

Occ 91.10.91.80, Jan 91.50, Feb 91.50, Mar 91.50, April 90.75, May 90.75 Orange Junce—Sept 1.26.50.126.70 (127.35), Nov 125.70.126.00 (128.60). (127.35), Nov 125 70-126.00 (126.60), Jan 126.70-126 80, Mai 127 86-128.00, May 128 90-129.00, July 129 95-130.00, Sept 130 95-131.00, Nov 131 95-132 30, Sept 130 95-131.00, Nov 131 95-132 30, *Platinum—Oct 311 0-312.0 (203.6). *Pletinum-Oct 311 0-312.0 (203.6); Jan 3158-318.0 (311.6(, April 325.5-326.0, July 335.0-337.0. Salee: 2,875. CHICAGO, July 23.

All cents per pound ex-waranousa unless otharwiss stated. *5 per froy ounce. *Cents per 58-th bushet. Cents per 50-th bushet. Cents per 50-th bushet. Cents per 50-th bushet. Scan per metric ton 12,000 lb) \$ SCan per metric ton dozon. †§ S par matric ton.

15cysbaan Meal—Aug 179.8-178.7 1179.3(, Sapt 160.3-180.2 (179.3(, Oct 180.3, Occ 185.2-165.4, Jan 186.0-168.2, Merch 192.0, May 196.5-187.0, July 200.5-201.0, Aug 20.5-201.0

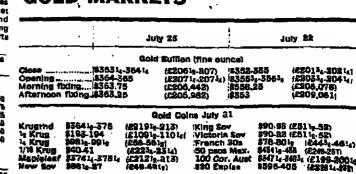
Salas 4.300. Heating Oll—|canta par U.S. gallon)Aug 89.25 (88.33), Sapt 89.25-89.40 |88.09|, Oct 89.30-89.70, Nov 90.70, **GOLD MARKETS**

Gold rose \$11; to \$363;-364; in the Loodoo bullino market yesterday. It opened at \$364-365 and was fixed at \$363.75 in the morning, and \$363.25 in the afternoon. After touching a low point of \$3621-3631 the metal met recewed demaod as Eurodollar interest rules and tha U.S. currency fell. Gold rose to a peak of \$366-3663.

LONDON FUTURES Month

£ par troy - par troy ounse August.... 205.70.7.00 +2,100 209,80-5.10 Sept'mb' r 206,50-9.00 +2,259 20,80-9.50 Oxtober. 211,50-4,00 +2,50 Novamber 211,50-4,00 +2,500 Decambor 8 t4.00 4.18 - 1.808 January. 215 t0 5.80 - 1.808 216.90 4.59 Turnevar: \$17 (515) lots of 100 troy

GOLD MARKETS



GCLD G GCLD G GCLD G GCLD G GCLD P GCLD P GCLD P GCLD P GCLD P GCLD P GCLD P GCLD P GCLD P GCLD P	F.110		58 44 22 3,50 1,50 7,50	Vol. 51 75 94 60	Last	19 16 85	86 57 52	\$364,95
GCLD G GCLD C GCLD G GCLD G GCLD F GCLD F GCLD P GCLD P GCLD P GCLD P GCLD P GCLD P GCLD P GCLD P	\$300 \$328 \$350 \$575 \$400 \$300 \$325 \$350 \$75 \$400	701. 200 600 122 200 122	58 44 22 8 3,50	Vol. 51 75 94 60	38 95	19 16 85	86 57 52	\$364,95
GGLD G GGLD G GGLD G GGLD F GGLD P GGLD P GG	\$328 \$350 \$375 \$400 \$325 \$350 \$375 \$400 1 87-91 F-110	85 50 20 60 12 20	3,50 1,50	75 94 60	95	16 85	57	,,,
0 6 9 12 NL 81	F.110I		I - I	21 20 5	14 7 B 15 25 30	1 8 28 14	6 10 19	25 25 11 10 10 10 10 27 28
	F.112.60 F.118 F.112.60 95-88 F.102.60	540 140 1	3.30 1,20 0.70	400 410	9.20 2.10	131	4.10 9.50 —	F.113.20
10 ⁴ 4 NL 8 C P 11 ¹ 4 NL	F.100; F.87,50 F.100; 82 88-92	_	Ξ.	60·	3	25 8 5	3.10 0.70 1,50	F.102
C C C F 10 NL 82	F.100 F.102.50 F.105 F.107.50 F.103	100	1.40	704 25	4.10 B 1.30 9.30	810	0.70	F.103.80
G	F.100 F.102.50 F100	307 550	0.60	900	0.60	-	2,10	F.99.70
ABN G	F.2801	88	:t. 1 4 1	Jz	un.	_^	pr.	F.273
ABN G ABN P AKZO G AKZO G AKZO O AMRO G AMRO G HEIN G HEIN G HEIN G HEIN G HEIN G KLM G KLM G KLM G	F,300 F,280 F,27,50 F,87,50 F,45 F,45 F,55 F,60 F,17,50 F,17,50 F,17,50 F,17,50 F,100 F,100	10 38 10 15 55 30 5 10 11 17	15 1,40 9,70 1,70 9,80 5,40 2,40 0,80 	3732 4 57 144 9	9.90 9 1 1 5.90 5.50 1.30 18 01 ₈	15 15 11 11 11 11	3.70A 3.70	F.4470 F.80 F.850 F.13,50 \$651 ₂ F.86
KLM G KLM G KLM P NEOL G NEOL G NEOL P NEOL P NEOL P NEOL P	F.110 F.80 F.90 F.100 F.110 F.130 F.140 F.140 F.120 F.120	10 123 65 4 56 13 5 20 229 57	0,70 9,40 7,50 14,50 4,50 0,90 0,30 4,80 12	91 8 15 13 3	7 3 5 A 1,80 4.40	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	-	F.109,50 F.116 F.23,90
PHIL C PHIL P PHIL P PHIL P RD G RD P RO UNIL O UNIL C TOTAL VO	F.25, F.20 F.29,50, F.25, F.90 F.80, F.90 F.140 F.150,	110 154 10 35 10 016 51 10 75 6 CONT		50 78 - 14 95 20 - 5 5599	4.40 9.50 1.20 1.60 5.40 2.20	43 11 5 -	1.50 - 4.60 2.70	F.86.20 F.156

•			7::pcin 1987-2002 (30s) 201, 30 Assor: Daines 84spcPr (81) 103 Assor Electrical Inds 6pcDb 1978-83 E931: 84spcDb 1888-97 £853 8: Assor Paheries 44spcPr (£11 23s; 6217), 94spcin 1991-00 £59 (21:7)
BANK	RETUE	RN	(16/7) Assoc Newspapers Suprin 1986-04 CSA
	Wednesday July 21 1982	Ingresse (+) or Dscresse (-) for week	6 kpc/Ln 1989-94 550 Assoc Paper Inds StactPf (£11 31ks (20.7) Audio Pidelity (10p. 17 (21.7) Audio Pidelity (10p. 17 (21.7) Audio Pidelity (10p. 116 (19.7), SpcPf (£1) 35 (19.7), 92.8pcPf (£1) 41l! Austin 1£.1 Sons 22k, (19.7) Automative Fract 4.55pcZndPf (£1) 49le (21.7) SpcPf (£1) 79 (21.1) Avriling-Bartons 7/4pcDb 1986-91 £7114 (16.7)
BANKING	DEPARTME	nt	Ayrishira Metal Prods 29 (20/7)
Liabilities Capital Public Deposits Bankers Deposits Reserve and other Accounts Assets Government Securities Advances & other Accounts Premises Equipment & other Securities Coin	14,153,000 43,246,461 604,227,524 1,815,475,209 2,477,503,294 301,899,638 1,376,463,886 790,556,521 5,256,335 5352,113 2,477,503,294 DEPARTMEN	£	5AT Stores 4 kechn 2003-00 £371. 7 kech 2 2002-00 £381. 2002-10 £381. 2002-10 £381. 2002-10 £381. 2002-10 £381. 2002-10 £381. 2002-10 £381. 2002-10 £381. 2002-10 £381. 2002-10 £381. 2002-10 £382. 20
LiabiGties	£	£	Batleys of Yorkshire 10pcPf 021) 80
Notes issued	11,050,000,000 11,041,781,664 8,238,335 11,015,100 2,590,459,525 9,448,525,374	+ 125,000,000 + 143,548,586 18,548,586 1,585,588,818 + 1,510,285,518	Section Common Section (S.1) 12 (2007) . Section Cop Section (1978.33 S.3214. Glascin 1978-53 SS2 (2117). Septim 1978-96 S.7017. Selection (S.1) 22 (1977) Selection (S.1) 22
	11,060.000,000	+ 125,000,000	562.4 (1977) Birthid Gustias: 71:pci.n 1981-92 558 71, Blackwood Hodge Spci.n 1985.90 560 (217) Bigs Circle Ind Glacibh 1994-2006 567 (2177). 7pcibs 1988-93 565.7 (1977)
			(2117) PERS 1240-07 FEST 2 (14/2)

CORPORATION AND COUNTY |

UK PUBLIC BOARDS

COMMONWEALTH GOVT.

FOREIGN STOCKS

12 12177)
sbory Brewery ApcDb £29; (2017)
ApcPf [£1] 31 11917), 7pcPf (£1)
ApcPf [£1] 31 11917), 7pcPf (£1)
ApcDb 1987-92 £504 11817),
ApcDb 1987-92 574464, 4pcLn
12-97 £44 94 (2117), 74pcLn 1992-

Woltley A (5n) 32 (21/7). Soch 56 7. 41pcDn 1987-92 552 7pcLn £49 [20/7] Sons 7tapcLn 2001 [Armun] Sons 7tapcLn 2001 19pcLn 1995-98 £754 [21/7] Hansons 4000 E-9440, 1992-8 2754 [21]7)
Haroys Harons 400-95 £47½ (20)7)
Haroys Harons 400-95 £47½ (20)7)
Haroys Harons 400-95 £47½ (20)7)
Harons 8½pcLn 200-95 £47½ (20)7)
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Haronsided (£1) 450-95 \$65 £19(7)
Haronsided (£1) 450-95 \$65 £19(7)
Haronsided (£1) 450-95 £19(7)
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COMMERCIAL, INDUSTRIAL А—В "

A—B

AAN Hidge SpcPr (£11 41 2 G177)

AZ SpcI.m 1028-94 A541-7(19.7)

AZ SpcI.m 1028-94 A541-7(19.7)

AZ SpcI.m 1028-94 A541-7(19.7)

AZ Incorp (£2) 25 (21.7)

AZ Incorp (£2) 431-2 104 pc Incorp (£2)

AZ Incorp (£3) 431-2 104 pc Incorp (£3)

ACON 505 pc Incorp (£3) 431-2 104 pc Incorp (£3)

ACON 505 pc Incorp (£3) 431-2 104 pc Incorp (£3)

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one \$603 70£10 1995-90 £11 23
t_eacher lnds £78 £19,77
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sch 1092-2007 £461
or Day 191;acPr 1099-2002 £11 92
or Day 191;acPr 1099-2002 £11 92

er Day 191;acP 1099-2002 (£11 92 7)
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- Stritish Foods (19c0b 1981-38 1)
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- £2173. 7 10c0b 1988-93 £651;
- £1951-2002 (500) 2014 30
- Dalnes StapcPf (£1) 103
- Challes StapcPf (£1) 103
- Electrical Inds GpcDb 1978-83
- Stapcb 1885-91 £554 81;
- Stapcb 1885-91 £554 81;
- Stapch 1989-94 £551,
- Fisheriet AtacPf (£14 234; £217). ners 64pcin 1989-94 £50, 9-94 550
mus Signor (511 31:9 (207)
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Fairdale 7extiles (5p) 16½ (2017). A
Non-Vol. (5p) 13 (2017). Fairdale 7extiles (5p) 16½ (2017). A
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Fenner 2.85pcPt (£1) 34 (4 (16)7)
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Floons 5*prc.in 2004-09 £444.
Floth Lovell 71.pcLn 1992-2007 (25)20
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Fobel Inter Secla 1908-93 £52
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Ford Inter Capital Capital Capital 1907-57
£52½ (2177). 74pcLn 1900-85 £71½
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Formum Maxon (£1) 220 (19)7). 72pcPt
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G—H G8 Papers 201;
GEC-Billott Automation S-luc0b 1885-90
4601-6-luc0b 1991-86 £814. 6-luc0b
1995-94 £82 (187)
GET Paper 10pcln 1997-92 £77;
Gerford-Lilley Industries (Spi 251₂ 6-12 GCI inter 10pcLn 1907-92 £77:
Garbord-Lilley Industries (5p) 25½ 6½
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GAPORT-Lilley Industries (5p) 25½ 6½
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Gaunt 41 [1677] 6pcLn 1979-54 £88½ 9
GLeps 10pcLn 1987-92 £56½; 6½
7½ 10pcLn 1980-93 £56½; 6½
7½ 10pcLn 1980-93 £56½; 6½
General Electric Overs Candal Corp 5½pc
Ln 1985-93 £88½ ½ 1½ 5½ 1½
General Motors 151 31 £26 (19/7)
Gestepher A NV 51 £097). 10pcLn 199095 £59½ 70
Gebb Dandy (10p) 77 (21/7)
Glandeld Litwrence 6 11. 3pcPl 6£1) 39½
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Broad Main 6pcPt (£1) 35
Glover Main 6pcPt (£1) 35

Gisco S-ignel. 1983-80 (50p) 291, (2077).
7-ignel. 1983-95 (50p) 22
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6-ignel. 1985-85
Goodwin (10p) 12
Grand Met 5-pel (51) 38, 6-ignel (51)
46. 7-ignel (51) 38, 6-ignel (51)
1891-96 5701, (21)
1891-96 5701, (2)
Gill S-ignel. 1506, 6-ignel. 5441, (20/7).
7-ignel. 1508-86 572 (1197).
9-ignel. 1508-96 573 (20/7)
Guest Keen Hettlefolds iUK) 9-ignel. 1508-96
557-6. 70-ignel. 1508-65 531; (20/7)
Guest Keen Nettlefolds iUK) 9-ignel. 1508-96
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Hallen 5-ignel. 1508-97 (51) 43 (20/7).
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Simmon CJ 84 (1977). SpCP1 (E1) 271; (1677). SpCP1 (E1) 271; Smplo Group SpCP1 (E1) 37. 15pcLa 28191 5.175 (21)77. Smplo Group 41scP1 (E11) 30 (1617) Singshy (4. CJ 38 (2017). Smplo (W. H.) Son Ollogal 2 (109) 35 71; (21)71. 41pcDb 70/85 £331; (21)71. 51spcLa 534, 71spcLa 28193 5654; Smplo Household SpC 5564; 11 Lucob 95/2000 £814. 71spcLa 55/80 £140 (20)77. Smplot (1680 spc.) Hestair Contenter Products Secia 1985-93
5.25
Hewitz 10seft (2017) (1677)
Hickson Welch 6-2scia 1983-94
Highams 7scDb 1986-01 £65 (1977)
Hower 77, 82.5
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Hower for Fraser 5-iscia 1983-98 £610
Howeringham Grp 7scPt (51) 56 (21)7
Howard and Windham (208) 5-10. A (208)
5-1, 9-sscPt 1989 (299) 111-20, 198cIn
1976-91-£861 (2077)
Hamphriss Higgs 15
Huntalet (Hidgs) 37
Hunting Assoc (adds 200 (217)
Hestily 3nd Palmer Foods 3.65scPt (51)
4113. 6pcDb 1979-83 £94 14 £140 (20/7)
Smurit (Jesenson) Grp 10*spcl.e 1975-05
In£45 (21/7)
Sotheby Parks Servet Grp 0*spcPf (£1)
58 ½ (21/7)
Southend Strollom (5p) 25 (21/7)
Southend Strollom Stag Forniture Hidgs 10pcff (£1) 55 (£17)
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TACE 40pcPF (10p) 15 (2007) .
TI Gra Sapola 1877-92 SSP (2107).
6.8pcla 1889-94 SS0 4 (2017). 7.7pc
La 1889-94 SS1 (2017). 8pcla 1989SS1 (2017) .
TOTAL TOTAL TOTAL STATE CONTROL
SS (2017) .
TOTAL TOTAL SS (2017).
THE TOTAL SS (2017).
THE TOTAL SS (2017).
THE TOTAL SS (2017).

Stock Exchange dealings

Matthey 71.0cDb 1990-95 £621

LRC international 1919cta 1990-95 £81 (21/7)
Lathrole Grp Wis 99 10012. Secto 1990-92 £5714
Lathrole (John) Alkonyis 79 80 Loreno 7 Pepci stDb 1086-91 563 415 (2017).

Loreno 7 Pepci stDb 1086-91 563 415 (2017).

Stpcila 1980-83 5964 (1877).

Stpcila 1983-89 577.

194 pcia 1983-89 577.

194 pcia 1993-89 577.

195 pcia 195

Micoherapp (Donald) Grp 7 special 1.255 (20/7)
Magnet and Southerns 5.25pcpf (61) 57
Maida (J. and J.) Paper Mills 153 (16/7)
Mazor National Gry Motors 10*spcpf (61)
92 (20/7). 12pcln 2003 268 (20/7)
Maple (Midgs) 10*spcln 1998-2002 279*s (2177)
Mappin and Webb SpcPf (£1) 28 (2177)
Marpin SpcPf (£1) 84 5 (2177)
Marks and Spender 7pcPf (£1) 551 (2177)
Marks and Spender 7pcPf (£1) 551 (2177)
Marky 6 bpcPf (£1) 42 (1977), 64pcDb
1983-83 289

Oceana Coned 48 (21/7)
Olympta (Redacre) (20p) 25
Ortilane Intril SA (51.50) 625
Osborn IS.1 7 kpcDb 1993-00 £58 (21/7)
Oven Owen 7pctetDb 1998-92 £63 (4

(16/7) Pateriary 79CL1 1309-34 2.56 (16/7) Paneline Commercial Hidgs 15-inptln 1396 264 70 (13/7) Paneline Dig (200) 17 (20/7). Pareline Dig (200) 17 (20/7). Pareline Dig (200) 17 (20/7). Placer (S11 1-9) SSB (16/7) Press (S11 1-9) Press (W.) Gp (10p) 61.2

Q-R-S Q-R-S
RIMP Gp 790FF (£1) 43 (1947). 8pc.ln
1934 £87 (21)77
R70 Gp (1850.20) 17 St 6 4z (1677).
R70 Gp (1850.20) 17 St 6 4z (1677).
R3nk Organization 94.pcPf (£1) 47 4,
8pc.2mdFf (£1) 60 (20)7). 6i-pet.n 1930-1935 £35 (21)77. 6pc.ln 1933-38 £621;
121.77. 8pc.ln 1938-93 £631 81, 104pc
Ln 1937-2002 £784 6pc.ln 1931-38 £621;
121.77. 8pc.ln 1938-93 £631 81, 104pc
Ranker Howis McDougall 6pc.ln 270. 6-ppc.
1302-3pt.ln 1302-3pt.ln 1303-3pt.ln 1303-3pt.ln

Z0.77. Shortle 1989-84 Z8S (20.7). Shortle 1989-91 £82's (16.7). 64-ccbe 1989-91 £82's (16.7). 64-ccbe 1990-85 £84's (21.7) pated.

Worse than expected and a trading loss for the year was stiffed 1987-861, 64-cc 1990-85 £84's (21.7) pated.

nal Carpers (filosse, SpcPf (Ir£1) 19

Anglo-Continences

Db 1974-03 £100 (2117), 950cco
£101 (1971)
Antoriogasta Hides (£1) 73 (2117)
Arroyle Ts: YVs. sub Ord 1117
Armour Tst. 101:pcl.n 1991-96 £620
RET. Oppilbus-Services 100cf7 (50p) 7

INVESTMENT TRUSTS

Altance 4t-scho 15/5/58 or \$32 P1477)

Alva 215 (18/7)

Alva 215 (18/7)

Alva 215 (18/7)

Alva 215 (18/7)

Ba 1987-92 £514-(207)

Angle American Sers 4t-schoff £32 (2007)

Attanta Bar Chi Wis 57 (21/7)

Barlors 3-schri £320, 21/7)

Berry Trust 4t-sch 1993 £200 £21/7/

Berry Trust 4t-sch 1993 £200 £21/7/

Apch 1980-85 £77 (21/7)

British Ameris 5pc.Cuspr £15 7 (27/7),

4pch 1980-85 £77 (21/7)

British Ameris 5pc.P £370 £21/7/

Charter Crus Inv 4t-schibb 1972-15

£951/2 (20/7)

Cravion Consid 3t-scho 1982-88 £884
6t-spc.Alcoving.n 1994 £724 (21/7)

Drayton Premier 5pc.P £370. £4-scho

£280, 7t-sch 1990 £134. (21/7)

Brayton Premier 5pc.P £370. £4-sch

£dishorph American 4t-sch £35 (18/7)

Braytish Inv Trust 5schb £35 (18/7)

3.250c and Lpm Actumy (250) 402 3 South Statement a 59c 528 (2707)

3.250c Apri (21) 36 (217). 5.50c 8
Peri (21) (Rep) 56 36 (167). 9 april 1995-90 E8882 44

MINES—SOUTH AFRICAN

Coronation Syndicate (R0.23) 546 426

Eastern Transval Cons (R0.50) 450 74

Tork: Waterworks Pf. £36 (1977)

Financial Times Saturday July 24 1982

UK COMPANY NEWS

Norwest Holst shows improvement to £5.2m

Valuable benefits have been Valuable benefits have been shown from group reorganisations at Norwest Holst Holdings, civil engineer, with a rise of 23.17m in pre-tax profits to 25.21m on turnover lower by 25.22m on turnover lower by 25.27m to 25.27m to £5.21m on turnover lower by £16.66m et £165.19m.

The directors report a risd in sbareholders' funds of 45 per struck after reduced exceptional cent. Tangible assets have increased by 50 per ceot and they say that the secured workload bas, improved by 30 per feed to the first the trading level profits expanded from £3.77m to £5.47m. Pre-tax profits were extractional debits of £258,000 (£1.23m). Tax fook £19,000 (£844.000).

There were extraordinary credits this time of £1.13m (£1.25m) and attention of £1.13m. The company is wholly-owned by Dunham Mount Holdings.

There were extraordinary credits this time of £1.13m (£1.35m) and attributable profits emerged sharply ahead from £2.54m to £5.3m.

Atlantic Assets Trust declines to £811,000

Decreased pre-tax profits have been shown by Atlantic Assets Trust, falling from £1.05m to £811,000 for the year to June 30, 1982. The directors says this Edinburgh-based company's portfolio has suffered particularly from market disenchantment with the oil and natural resource sectors.

Conversely they say the company's heavy exposure to the dollar has been beneficial and its technology holdings, including its subsidiary Independent Investment Company, have performed relatively well.

A net dividend of 0.3p has been declared company with an adjusted 0.5p last time, which included a specially payment.

Celestion still in the red Celestian Industries managed Dividend from listed investonly a slight reduction in prements came to £107,000 (297,000).

tax losses to the year to April 3 and there was a tax credit for 1982, from £1.04m to £931,000, on the year of £769,000 (£854,000). 1982, from £1.04m to £931,000, on turnover up from £33,07m to £33,27m. The year's dividend is malotained at 1p per 20a share. There was an operating loss of £1.04m (£1.14m), combrising losses on the manufacture and distribution of sound £2300 december of £38m. distribution of sound regroduction equipment of £138m (£137m) and a profit on the company's clothing operation of £337,000 (£232,000).

At midway, when reporting a pre-tax loss of £897,000 (£116m), the company said the depth of the recession in the UK and North American markets was worse than expected and a trading loss for the year was attitudent.

Munton **Brothers** moves ahead

Munion Brothers record pre-tax profits of £432,000 for the year coding April 30 1982 compared with £273,000 last year. Thirnover rose from £2.78m is £1£45m for this company which is mainly engaged in making shirts for Marks and

As forecast, a final net divi-dend of 1p (1.5p) per 10p share has been declared making a total of 2.5p. No dividend was paid The thrower and profit figures include the results of the new subsidiaries. Lillygould (16 months) and Monton (Longon) for four months. Pre-acquisition profits stood at £89,414.

The directors say that graits for the year have exceeded levels articipated at the half year. Despite economic conditions, they add, the enlarged marketing and according facilimarketing and production facilities of the group are embling it to continue its satisfactory performance.

Tax took more at £182.394 (£96,500). There were extraordinary debits of £71,000 charge last time.

Attributable profits rose from £105.591 to £209.918 Stated earnings per share tell from 3.18p to 2.97p. The earnings per share have been distred by the share have been dikined by the issue of 1.54m shares on which only two mooths profits have been brought into account. Current cost stributable profits were £188,246 (£73,145).

Wm. Ransom profit ahead

Pre-tax profits of William chemist, increased from £352,000 to £397,000 in the year ended March 31 1982 on turnover shead RUSH & TOMKINS

from L3m to 53.45m. At helf-way profits, were marginally attent from £3m to 53.45m. At helf-way profits, were marginally attent from £154.000 to £158.000. The dividend is fitted from 5.675p to 6.5p met per 10p share, with a group of its merchant bankers for a five-year £8m loan £5chity.

This will be used to refinance part of the group's short-term of £160.000. After ter of £161.000 for the expansion of its property. Investment and development 17.07p. (13.2p archifleg for credit).

Confederation Funds Mat. Ltd. 121 50, Chancery Line, WC2t INE. 02-242 Great Foot. \$1.7

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of investment in the property of convertible into which 2100 nominal of convertible into income of 2100 nominal of convertible into income of the convertible less income of the convertible into income of the convertible income. when or one equity is the convertible atock. ‡ Three-month range. § Income on comber of endicative.

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FINANCIAL TIMES STOCK INDICES

578.8 B52,8

11.16

Gold Mines 12/9/56, SE Activity 1974.

HIGHS AND LOWS

594.0

High (Low

62.79

618,1 (5/1)

21.34

10,86 10,68 10,63

Ord. Div. Yield.

Earnings, Yld.% (fulf)

P/E Ratio (net) (")____

Equity bargains.....

July John July July July 26 22 21 20 19

72.66 72.46 72.21 72.86 71.95 72.90 72.83 72.72 72.87 71.95

11,40

Total bargains ____ 15,984 15,921 17,405 18,002 16,177 16,845 17.166

10 am 577.1, 11 am 577.1, Noon 577.8, 1 pm 577.8

Latest Index 01-265 8026

High | Low

150.4 50.58 (28/11/47) (5/1/75) 597.3 49.4 (50/4/81) (28/8/46)

558.9 45.5 (92/5/50) (28/10/71)

LEADERS AND LAGGARDS

-Nii-10,12

2 pm 577.7, 3 pm 577.9.

Basis 100 Govt. Sacs. 16/10/26. Fixed lot. 1928. Industrial 1/7/35.

71.19 84.18

10.36 10.76

73.79 72.87 71.95 71.51 65.92 573.2 676.2 556.6 556.7 580.2

11.59 11.44 11.59 10.64 10.59 10.56

S.E. ACTIVITY

Bargains Value 5-day Avrg Gist-Edged

July (

204.0 2144

268.0 272.0

221 4 220,5

- 132,61 134,65 189.07 194,37 148,25 101,97

12,280 13,660 14,605 12,663 12,942 12 063

Confidence about interest rates remains strong Gilts end week at highest since autumn of 1979

Option First Dectara- Last Account Dealings tinns Dealings Day July 5 July 15 July 16 July 26 July 19 July 29 July 30 Ang 9 Aug 2 Ang 12 Aug 13 Aug 23

Confidence remained high yesterday that the international trend towards lower interest rates would continue and London

leg of the trading Account in strong fashion. FT-Actuaries sbare index rose 1.6 per cent to a record high of 341.71. But Gilt-edged stocks were more impressive with renewed sizable investment support lifting quotatiens, as measured by the FT Government Securities index, te their highest siece the autumn

In order to meet demand, the autherities seld quaetities ef the two £300m tranches ef existing stocks made available te the market fer the first time yester-day. After some initial confusion, early huying erders at 92% for the shorter of the twe issues, Treasury 111 per cent 1989, were scaled dewn by 50 per cent with the Government broker wanting a higher price, around 921, for further supplies. This cooled enthusiasm to an extent, but beth shert and tenger-dated Gitts established fresh gains ranging to ?. helped by lower period rates in money markets, a lewer Treasury hilt rate and the prospect of another round of clearing bank base rate cuts. Illustrating the strength, FT Government Securities index rose 0.20 te 72.66, a rise of over 4 peints, nearty 6 per cent,

in the past four weeks to its highest since Octeber 1 1979. The recent persisteot strength of the funds encouraged a welcome increase in equity trade, although buying interest still teeded te he specialised. Mercbant Banks, for example, attracted considerable attention, albeit mainly speculative, follow-ing Midland Bank's deal with Aetna Life and Casualty.

Merchant Banks strong

Building shares and Properties also fared well, being envious beneficiaries of cheaper meney. Leading equities were frequently tained the firmness despite Wall gniwoda renewed indecision yesterday. indecision early yesterday. Despite marked weakness in constituent Jobo Brown, dewn 7 st 481p, the FT Industrial Ordinary sbare index gained five points for a week's rise of 21.5 to 578.2

The latest newcomer to the "bulldog" list, Australia 131 per cent 2010, made a successful Developments, which gained 6 debut. Stock of the £100m issued was quoted in £20-paid form and 24 on the week. Y. J. Lovell finally established a premium of rallied 2 to 140p after the pre-

EQUITY GROUPS

Zimbahwe Settlement Annulties up 8 points more to £380.

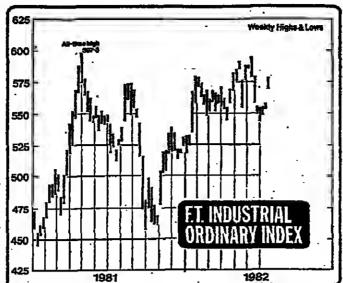
The £66m acquisition by Aetna Life and Casualty of the U.S. of a 40 per cent interest in Midland's merchant bank subsidiary Samuel Montagu sparked off 8 wave of speculative buying in other merchant bank issues en eversess bld hepes. Schroders advaeced 25 to 440p, after 455p, while improvements of 14 and 16 stock markets finished the first respectively were seen Mercury Securities, 204p, and Kleinwort Benson, 228p. Brown Shipley gaieed 10 to 220p and Hill Samuel rose 9 to 160p as did Hambre Trusi, te 102p. Hambres appreciated 8 te 110p, after 116p, and Guinness Peat put on 4 to. 46p, after 4Sp. Lloyds gat the clearing bank interim divideed season off te a bighly satisfactery start, reporting first-half profits

at the top end of market estimates; the shares clased 5 higher at 400p. Barclays rose 6 in sympathy to 388p and NetWest hardened 2 te 440p. Midland. hewever, still unsettled by adverse commeet about its subsidiary, Themas cheapened 3 to 332p, after 330p; the interim results are scheduled fer next Friday.

Continuing to draw strength from recent Press comment, Royals firmed 13 mere to 375p; the interim results are due next

A rising market throughout the week, Breweries attracted renewed institutional support and closed with further good gains. Bass were outstanding and advanced 7 for a rise en the week of 18 at 236p, Grand Metroweek of 18 at 230p, Grand metro-politan firmed 5 te 253p, white Whitbread improved a ceuple of pence te 123p. Regionals mirrored the leaders and Vaux rose 4 to 164p, as did Young A, at 232p. Wines and Spirits also clessed at the day's best with Distilters 3 up at 196p and Arthur Bell 2 dearer at 186p. Stilt buoved by the excellent results, H. P. Bnimer encountered revival support and, in a restricted market, rose 15 te record a gaio on the week ef around 72 at 545.

Still benefiting from the prospect ef lower interest rates, buying activity revived in the Building sector. Steck shortage acceptuated some of the day's gains, with Tarmac eutstanding at 320p, up 16. Rises of 10 were common to Blue Circle, 482p. Newarthlit, 480p and BPB, 450p. Renewed support lifted Crouch Group 8 further to SSp and RMC clesed similarly dearer at 263p. Bryant, 112p, and Mewlem, 199p. firmed 4 aplece, while Housebuilders were featured by con-tinued demand for Barratt



vious day's fall of 10 on the interest in the Engineering disappointing figures.

hut improved 8 te 312p awaiting next Thursday's interim statement. Recent good preliminary figures continued in bolster Allied Colloids, which gained 6 further te 269p. Coalite gained 5 to 129p while Wm Ransom put

Stores gain ground

Leading Stores finished the first leg of the Account on a bright note with dealers reporting a much improved surnover. Marks and Spencer were briskly traded and rose 5 to 169p. Burten firmed 3 to a 1982 bigh for a gain on the week of 27 to Electrical retailers centinued to make progress under the lead of Currys, 10 dearer at 168p. Comet Radiovision firmed 4 mere to 123p, while Dixons Photographic, prelimin-ary figures due next Thursday, dded 3 at 175p. Elsewhere. Harris Queensway. 184p, and Cornell Dresses, 170p, both rose around 7. Andre De Brett, deatt in the Unlisted Securities Market, hardened a peuny to

61p following the annual results. Leading Electricals figured prominently in the general market advance. Press comment belped Plessey to advance 10 further to 527p, after 528y, while Racal closed a similar amount dearer at 495p and BICC rose 15 to 318p. Thorn EMI gained 8 to 425p and GEC moved up 1 to 2 peak £11. Elsewhere, Sound Diffosion improved 6 to 120p on reports of a chart "buy" signal, while Eurotherm put on 9 more to 472p. Ferranti gained 10 to

preliminary sector, with John Brown showing marked weakness at 481p, Widespread gains were re down 7, after the interim results corded in the Chemical secter. and the accompanying profits ICI remained relatively quiet, warning The passing of the balfyearly dividend and interim pre-tax loss promoted a fall of 14 to 28p in Birmingham Callet, while Brooke Tool closed 3 off at 10p on the passing of the interim dividend and the warning of "substantial" current-year losses. Bullough, in contrast, continued to reflect extisfactory half-year results and put on 10 more to 215p. Occasional movements elsewhere included Brasway. which edged up 4 to 82p, and Westland, a couple of pence firmer at 130p.

Foods continued to respond to steady support and closed with useful gains across the board. Among retailers, Tesco rose 2 more to 79p, while Argyll firmed 4 to 83p. Associated Dairles, 136p. and Nurdin and Peacock, 154p. gained 6 apiece and William Morrison closed 4 up at 140p.

Unilever up

Miscellaneous industrial leaders ended the week on a firm note. Renewed investment buying on lower interest rate bopes again encouraged the move to higher levels with Unilever notable for a incheape firmed 5 to 295p.

rise of 20 to 640p. Still awaiting Aitken Hume, a good market rise of 20 to 640p. Still awaiting the Board's reply to recent Italian criticism of the group's Zaotac anti-ulcer drug, Glaxo improved 5 to 748p, after 750p. Beecham rose 6 for a week's gain of 14 to a 1982 peak of 304p. Reed International improved 6 to 314p and Boots, still on the chairman's encouraging AGM statement, put on 4 more to 237p. Against the trend. Metal Box shed 4 to 154p on further consideration of the chairman's pessimistic AGM remarks.

Dom advanced 6 to 78p in provided the main source of response to the better-than-

Aaronson Bros. firmed 3 to 33p helped by Press comment. Renewed support ahead of the interim results scheduled for August 4 left J. Bibby up 10 further to 295p, while Sangers gained 3 to 35p on revived speculative support. United Gas Industries hardened a penny to 13ôp to stand a penny above the iecreased cash bid from Hanson Trust Broken Hill Proprietary lost 10 to 412p following the lower profits. Dealings in Viners were suspended at 1p prior to the announcement that a receiver

had been appeinted. Motor and aircraft component manufacturers were quietly irregular. Dowly, 154p. and Flight Refuelling, 193p. added 4 and 6 respectively, while Supra firmed 3 to 38p. In contrast, conas Woodhead came under renewed pressure and eased 2 more to 18p, as did Automotive

Products, to 31p.
Buying in anticipation of further hase lending rate cuts next week hetped Properties to close the week strongly. Lend Securities rose 9 to 292p and MEPC 6 to 191p. Great Portland Estates also firmed 6, to 164p. Haslemere Estates closed: 12 to the good at 366p and Hammerson A appreciated 15 to 570p. Lynton improved 10 to 190p and Property Partnerships 7 to 217p...

Oils edge higher

Quiet conditions persisted in the Oil market, but underlying sentiment was helped by reports that the Government bave agreed to talks with the industry on the alleged levels of penal taxation. British Petroleum edged up 6 to 276p, while Shell firmed 4 to 404p. Ultramar clesed degrer at 405p and Tricentrol 6 up at 186p. Partly reflecting overnight weakness. Candecca closed 10 cheaper at 205p, while Atlantic Resources, dewn a similar amount at 155p, were also dult in exploration issues.

A buoyant and active market of late on reports of strong U.S. buying and takeover speculation, Lourhn succumbed to profit-taking and fell to 86p before closing 4 off on balance at 88p. Elsewhere in Overseas Traders, Gill and Duffus rose 6 to 120p and

earlier in the week in response to sharply higher profits, gave up 12 to 166p. Elsewhere in Financial Trusts, S. Pearson improved 8 to 268p and Exco International bardened 4 to 208p. P. and O. Deferred were rela-

tively lively again in Shippings and closed 4 to the good at 158p, while British and Commonwealth, still benefiting from recent Press comment. hardened a couple of pence to a new peak for the year of 500p.

Textiles lacked a decided trend. Allied touched 184p before reverting to the overnight level of 182p following the interim statement. Nothingham Manufacturing, first-balf figures expected in the next Account, firmed a couple of pence to 190p. Sirdar attracted revived speculative support and added 5 for a two-day gain of 14 to 136p. Harold Ingram eased 2 to 17p following the increased annual A strong recovery by the bul- struck in Vall Reefs.

RECENT ISSUES

EQUITIES

FIXED INTEREST STOCKS

"RIGHTS" OFFERS

188 Applied Computer Tech.
180 Sank Leymi (UK) £1.
15pm Slundsil-Permoglaze.
1pm Coronto.
1pm Coronto.
15pm Goal Pet, 5p.
18 Grand Met 50p.
19 Jenks & Cattell
19 Jenks & Cattell
19 Jenks & Cattell
19 Spm Minster Assets.
19 Press (Wm.) 10p.
180 Saatchi & Saatchi 10p.

20S)85 17pm 1pm 6pm 254 24 15pm 61 420 282

5/8 | 24/5 | 28/8 | 30/7

208-199 17pm 11pm 6pm 254 251₂ 16pm 58 445

price, after Thursday's reaction, encouraged yed demand for South \$13.5 Adrican Golds which closed a good week in fine form.

The generally satisfactory dividends from Vaal Reefs, South-vaal, Western Deep and South African Land coupled with the final batch of quarterly reports, those of the gold mines in the Anglo American group, led to a sharp mark-up at the outset.

Subsequent buying frum
London, Johannesburg and the
Continent led to further gains
although prices eased back in
afterhours trading following
American profit-taking.
Builton closed a net \$11.25 up.

Bullinn closed a net \$11.25 up at \$363.75 an ounce—\$18.75 higher over the week while the Gold Mines index recouped 4.6 to 252.8 extending the gain on the week to 27.8... Ameng beavyweights, the divi-

dend declarers attracted wide-spread support with Vaal Reefs and Southvasl up around I apiece at £291 and £161 respectively, while Western Deep moved up I to £14

Ontstanding in the marginals were Durban Deep, 49 firmer at a year's high of 908p, and South African Land, 13 to the good et a 1982 high of 213p, the latter on the good dividend.

Financials performed well all tech.

week. Anglo American Corpora-tion were a feature, yesterday's 20 gain to 570p leaving the shares 78 higher over the five-day period.

Another surge by copper prices in London and New York led to streamle demand for Rio Tinto-Zinc which rose 10 te 420p—up 28 nn the week—while the per-formance of bullion in recent days prompted similar interest in Gold Fields, 15 firmer at 413p. Charter edged up 3 to 198p, after

Australians were generally quietly firmer, with Golds featured by Poseidon, another 5 to the good at 116p. Bougainville rose a like amount to 78p.

Platinums returned to favour following the continued strentgh of free market platinum prices Impala were particularly sought and sovenced 22 to 240p, Rustenburg put on 3 to 170p and Lydenburg edged up 4 to 122p.

The downturn in Tin prices on the London Metal Exchange un settled Malaysian Ting among which falls of 10 were common to Sungei Besi, 140p, and Tronoh, Ayer Hitam dipped 5 to

The strength of the London equity market prompted another active session in Traded Options in which 3,892 contracts were done, boosting the weeks daily average to 2,654—the highest for some considerable time. Business was well-distributed among these in issue with substantial money again directed towards Lourne positions which attracted 923 calls, 417 in the November 80's. Marks and Spencer were also exceptionally active and recorded 627 calls with 238 struck in the expiring July 160s. British Petroleum and Commercial respectively; the latter an nounces interim results early next month. Puts remained relatively subdued with 356 con

Percentage changes since December 31, 1981, based on Thursday, July 22, 1982.

and H'sehold Products	+45.32	Novembers, Publishing
S	+31.84	browners (Commonths)
	+28,22	
and Distillers	+25.13	Mechanical Engineering
ce Brokers	+23.76	Machanical Engineering
and the second s	+20.37	Discount Horses
	+ 19.21	I migration
er Group	+18.87	Engineering Contractors
	+15.57	Discount Houses 23 Leisure 23 Engineering Contractors 22 Fearnets Group 12
al Group	+ 13.04	Other Industrial Manuals of the
Goods		Other Industrial Metarials
ting, Construction	+12.08	Barties
is	+12.00	Oversess Traders
g and Transport	+11.47	Property
Materials	÷11.43	Oils
re Index	+11.09	Motors 10.2
Эгопрв	+11.04	Mattele and Matel Freedom
ng and Paper	+ 2.76	Mining Finance
os (Life)	+ 8.27	Merchant Banks
onsumer	+ 7.89	Office Equipment
e Index	+ 7.40	Gold Mines lodge
	+ 7.79	Mining Finence 12.8 Meruhant Benkr 15.8 Office Equipment 17.3 Gold Mines Index 15.2

OPTIONS

Deal- Declara- Settle-Premier Oil, Smith St Annya Trident TV A. Marshall ings July 26 Aug 6 Oct 28 Nov 8 Aug 9 Aug 20 Nov 11 Nov 22 Aug 23 Sept 3 Nov 25 Dec 6 For rate indications see end of

Share Information Service

Universal, Berkeley Employs, tion, BSG, Smith Bree, Turner and Newall, First National Finance and George Stinia. Demand for Options improved Puts were done in Free State and calls were arranged in Stewart Wrightson, ICL, Cope Geduld and De Beers Deferred, while a double was transacted in First National Finance. Allman, Weir, American Oil-

fields, Loganvale, Whitington Estates Aaronson Lourho.

RISES AND FALLS YESTERDAY

	Rises Fall	s Same	River	Fedia Sin
British Funds	- 84			- 69 70
Corpns. Dom. and Foreign Bonds	22 5	47	138	13 220
Industrials	226 103	804	7,846	719 4,310
Financial and Properties	236 ,32	244 .	978	. 242 1,238
Oils	28 78	61	131	107- 291
Plantations	2 25	3 78	*3	22 80
Minne.	60 24	73	317	T19 34
Others	50 49	57	279	244 200
Totals	807 236	1,409	3.828	1,525 6,920

NEW HIGHS AND LOWS FOR 1982

3	NEW RIGHS (147)	HOTELS (1)
		Grand Met.
,	BRITISH FUNDS (58)	Applied Computer EIS.
	Exchar. 94pc 1992 Treat. 114pc 91	Applied Computer P15.
ш	EXCHOR, 81-pc 1983 Fog. 540c 87-91	Bestobell Johnson Changes
1	Exchar. 94pc 1992 Treat. 114pc 91 Exchar, 54pc 1983 Fdc. 54pc 87-91 Exchar, 5pc 1983 Exchar. 11pc 1991 Treat. 12pc 1983 Exchar. 13ppc 92	Bibby (1.)
•	Trees, 1206 1983 . Exchor, 131706 92	Brown Bowert Kook Oralld Flor Cont
: 1	Treas. 94pc 1985 Fdg. 6pc 1993	Bescham Johnson Change Beschohl Inhiby (1.) Bibby (1.) Brown Bovert Kent Challet Fix. Com. Diptoma Sony Hidgs. Standard Fixebell Sundonian Wilderoft.
1	Exchar. 10pc '23 Tress. 134pc '93 Fdp. 9tpc '82-84 Tress. 141pc '94 Exchar. 114pc '84 Exchar. 134pc '94	Dom Hidgs. Standard Firement
	Exchar, 11 lapt '84 Exchar, 13 lape '94	Cundonian Whitecroft
٠.		Prodential INSURANCE (1)
	Excher. 3pc 1984 Gas 3pc 1990-95 Trees. 12pc 1984 . Trees. 124pc '95	- Personation straturated (1)
٠,	Trees, 12nc 1984 . Trees, 124nc '95	Down
	77925, 15pc 1985 Trees, 15upc '96	Dowry
٠	Exchar. 12pc Cav. Exchar. 13kpc '97	DESCRIPTION AND THE PROPERTY OF THE PERSON O
1		Cussins Prop. Trust Secs.
. 1	Trees. 3nc 1935 Exchor. 15nc 1997	Spring Drawer . The . Charles tellering
	Treas. 11 30c 1985 Treas. 54pc '95-98	SHIPPING (2)
- 1	Exchar. 124pc '85 Treas. 151pc '98	Brit. & Com'wealth P. & O. Deld.
1		
1	Trees. 3pc. 1983 Excher. 121.pc. '99 Trees. 12pc. 1986 Trees. 101-pc. '99	Rex Trueform A
. 1	Trees. 12pc 1986 Trees. 101-pc '99 Trees. 81-pc '84-25 Trees. 14pc '92-01	Calestonia TRUSTS (6)
-	Treas. 81,00 '84-25 Treas. 14pc '92-01 Treas. 124pc '82 Fdg. 31,00 '99-04	
ч	Chv. Treas. 12 2pc 03-05	
	Exchor. 14pc 1936 . Treas. 3pc '02-06	Moorgate lov. Tst Pearson 65.7
	Fdg. Stoc '85-37 Treas, 13lenc '04-03	OVERSEAS TRADERS (2) Paterson Zoch. Paterson Zoch A-)
•	Fdg. 3/sec '85-37 Treas, 13/gpc '04-03 Treas, 3pc 1987 Treas, 5/spc '08-12	Paterson Zoch. Pat'son Zoch A-)
ı	Treas. 12pc 1927 Excher, 12pc '13-17	Durban Deep S. Africas tund
: 1	Tress. 73pc 35-88 War Loan 33pc	Durban Deep S. Africas Cand
•	Trispt. 3pc '78-26 Copy. 31-pc 'S1 Aft.	The second secon
. 1	Exchar, 12 pc '90' Treat Ziepc	7.7
ŀ	INT. BK. & C'SEAS GOVT. STLG. ISS. (4)	NEW LOWS (46)
١	Finland 14'200 '36 Intl. &k. 13'300 '86 - Sweden 13'200 '86 Do. 1400 1987	CATTLE NAME (40)
	COMWEALTH & AFRICAN LOANS (4)	FOREIGN BONDS (41
ì		LAUTION BOARD OF
. 1	Aust. 6pc 1991-83 N.Z. Tupc '28-23 Zimbabwe Ann. Do. 71:pc '83-86	Do. Soc 1942 Do. Spc 123 Box AMERICANS (9) Amer. Nat. Res. Spot (6, #3)
ŀ		AMERICANS (6)
٠	LOANS (Financial) (4)	Amer. Nat. Res. Spoi (8: 7)
1		Rep. N.Y. Corp. Texaco
1	1981-34 1989-92	
3	Do. 121-pc Uns. Do. Tupe Db. A	Vects Stone Whittingham
١	1981-34 1989-92 Do. 12:pe Uns. Do. Tupe Db. A Ln. 1992 1991-94 BUILDING SOCIETIES (2)	Vectis Stone Whittingham
١	Nationwide 153pc Nationwide 144pc	Vantona STORES (1)
1	1-2-45	
١	BANKS (3)	ENGINEERING (3)
J	Cilve Discount · · : Seconda Marchall	Birminghern Pallet Capper-Nell Scissol Coment R.M.P.
1		person coment . R.M.P.
J	Alled Land	mount Other
1	Allied-Lyons Highland Cist. Sulmer (H. P.) Young Stew. A	FMC Property
ı	Distillers (H. P.) Young Frew. A	IMPLICATION OF THE
ı	Viruina.	FMC Pyto Hides Count Stap Fermine Stop Fermine Stop Fermine
1	BUILDINGS (6)	Embart Stonehill
ı	aryant Hidgs. Lilley (F. J. C.)	RFD Group
ı	Carr Clebon KMC	MOTORS (3)
J	COMPANY OF THE CONTRACT OF THE	Automotive Woodheed (12
ĺ	Added Coddie Language Ind.	Luces Inde.
1	Styent Hidge. Lilley (F. J. C.) Carr Lighny RMC. Higgs 6 MH Tarmer Tarmer Astied Codolos Laports Inda. Habtred (J.) Ransom (Wm.) STORES (3)	PROPERTY (1)
1	Heistrad (J.) Ransom (Win.) STORES (3) Habitat Downline	Clarke Mickells
1	Surton Group Habitat .	TROUTS (4)
1	Deathlest	Consessed Innered Barbackstone

ACTIVE STOCKS

Above sverege scrivity	was noted.	in the following	z stocka yazta	rdsy.
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Closin		*****	Çla	ring :
	Day o		IS.	ics Day
ck pence	Change	Stock .	per	ice change
		Marka snd öp	encer 18	50 + S
		Plesesy		7. H 10
				110
1 (J.)		RTZ		
a Piat 240	+22	Schroders		D + 25
wort Banson 228	+15	farmec		410
	4	Vani Reeta	22	+ 0
THURSDA	Y'S AT	HIVE ST	mrks -	





FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

Tees July 20

Mon July 19

9do Aes.

Wed July 21

_	MOSIL GIVE	QF3					1 "	- 4	4	1.7	athan	1						
& SUB-SECTIONS Figures in parentieses show marker		laden No.	Est. Gross Est. Earnings Div. P/E Dav's Yield % Yield % Rati		Index Index		Index Index No. No.		tretex No.	1982				Shore Complision				
. 190	of stocks per section			*		943	-	""	-	-	, Tab.	İ	rayer	"		1799	Ι.	
1	CAPITAL GOOD	5 (209)	403.17	+19	9.15	.07 13.6	0 405.6	404.95	405.13	400,29	344,60	413	17 (23/7)			413.17 (23/7)	Ø 50.71 (13/12/7
2	Building Material		343.98	+23		31 103			38334	325.26	295.53	349.				349.38 (10/5/8		יקבוענ
3	Contracting, Constru	ction (ZH)				.08 8.3			603.02			641				601.41 (10/5/8		2/12/14
	Electricals (31)	to- (7)7	1657.15 484.29			.96 19.9 .25 8.8		76 1601 74 37 489.98	489.88	484.91		1657 523		1205.68		1687.15 (23/7/8 523.05 (5/2/8)		(25/6/62 (2/1/75)
2	Engineering Contract Mechanical Engineer		200.97			.88 10.5			200.26	197.62	290.80	208		187.11	(6/4)	230.26 (24/4/8		(6/1/75
8	Metals and Metal Ford		151.24			02 10.1			149.29		148.08	182			(8/7)	19229 (4/5/7		16/1/75
9	Motors (20)		84,08	-03	2.96 8	32 _	84.3		86.00	85.23	96.05	102	40 (3/2)	94.08	(23/7)	170.59 (15/1/6	91 19.91	(6/1/75
Ю	Other Industrial Mater		356.12			99 11.7			357.63		36A.73	410.		344.69		430.63 (5/2/8)		
27	CONSUMER CROU		325.14			43 9.7			339.00	314.65 333.13		325		265.59 261.00		325.14 (23/7/8		
8	Brewers and Distill Food Manufactur		349.60 283.24			95 8.8			339.89 273.60		297.21 253.61	349./ 287.				349,64 (23/7/8 287,47 (27/1/8		
5	Food Retailing ()		676.10			31 14.0			660.21	648.69	521,72	676		545,79	(5/1)	676.10 (23/7/8		
7	Health and Household Pr	_Plande	509.60			32 17.3			508.04		326.25	510.		338.70	6/1)	510.17 (15/7/8		285/8
9	Leisure (23)		422.73	+1.1		54 12.3			43794	433.95	433.62	461		395.85	(9/7)	476.41 CL4848		(9/1/7)
3	Nevespapers, Publish		508.70 145.42	+0.8	12.10 6 16.56 7	.13 10.4 .59 7.0			589.71 143.19	901.16 141.42	483.64 139.57	538. 153.		130,74	(14/1)	538.78 (3/6/82 161.79 (1/5/8)		(6)17: (6)17:
4	Packaging and Pap Stores (45)	ET (14)_	292.27	+20		78 13.3			283.78	279.12	252.92	292		238.02	(5/1)	294.86 (36/4/8		(6)1/2
5	Textiles (23)		167.78			39 8.8			166.66		156.22	182		15291	(5/1)	235,72 (17/1/6		
6	Tobacons (3)	***********	347.00	+0.9		.97 4.8			349.94	346.10	253.53	349.	94 (20/7)	251.28	(6/1)	349.94 (20/7/8	2 9134	
7	Other Consumer (271.29			75 31.2			264.37	261.12	289.95	297.2		247.81	(1)	311.40 (1/5/8)		28/98
1	OTHER GROUPS	5 (76)	261.49 345.50	+13		45 8.9			258.08 336.59	255.36 335.56	220.05 268.49	266.0 353.5		228.88	(5/1) (5/1)	266.83 (8/6/82 353.57 (9/6/82		(6/1/7
2	Chemicals (15) Office Equipment	14)	99.38			.92 8.73 178 7.5			102.89	101.35	108.92	1311		297.89 95.21	(13/7)	246.06. CL/9/72		1,12/7 (2/1/7)
5	Shipping and Transp		583.18			05 66			576.77	566.57	540.81	587.2		515.46	(5/D	644.76 (24/4/E		29/6/6
4	Miscellaneous 4	4)	342.68	+1.0		54 10.3			339.99	334.94	291.99	345.9		289.92	(5/1)	345,99 (8/b/82		16777
9	UNDUSTRUAL ERO	\$P (4607)				.04 10.8				335.46	289.87	346	0 (23(7)	289,79	(5/1)	34630 (23/7/8		13/12/
1	Olls (13)		684.08				672.9		668.38	667.58	734_13	752		627.13	100,00	3965.24 (19/11/8		
2	500 SHARE IND		373.80				367.7		366.67	362.67	325.78	373.		324.63	(12/I)	373.84 18/6/82		
2	FINANCIAL GROS	DP (TL/)	254,32 272,46			68 — 34 29	250.4 270.0		250.13 273.18	246.13	266.04 278.35	268.5 304.4		258.23 256.48	(28/6)	279.45 (1/98) 304.42 (22/2/8)		
3	Discount Houses	(9)	254.46	+0.3		18 _	253.7		243.32	242.92	262.30	254		211.15	(7/1)	314.03 (28/3/8		
5	Insurance (Life)		274.72	+0.7		66 -	2729		2TL40	268.78	267.45	277.2		24318	(12/1)	298.44 (1/9/81)		
6	Insurance ICompos	(QE) (atk	164.95			58	162.2		162 32	160.71	174,72	1717	78 (5/3)	147.23	(20/5)	188.09 CL/9/81		
7	Insurance Broker		514.10			05 12.4			515.90	513.86	406.51	526.3		430.59	(13/1)	526.32 (12/7/8		
8	Property (49)	123	138.67 425.49			80 24.4	131.2		133.19	129.91 402.17	168.25 478.28	156.0		128.79	15(7)	218.57 (1/5/12 517.77 (2/4/8)		
6	Other Financial (35)	172.85			72 6.4			17126	166.20	181 52	189.3		391,%	(23/7)	517.77 (2)4/81 303.18 (18/5/7		
Ť	Investment Trusts		299.70			47 —	296.4		296.43	292.29	305.12	319		288.53	(61)	332.90 (17/8/8)		
n	Mining Finance (4		209.63			77 83			201.59	20019	249.50	241.7		169.40	(27/6)	2%26 (148/8)		
n	Overseas Traders		370.31	_		.65 8.8			365.41	362.11	424.39	438.9	9 (III2)	327.29	(21)6)	488.51 (18/5/8)		(6/ <u>1</u> /75
7	ALL-SHARE INDO	EX (750)	341.71	+1.6	- 5	.80	336.3	0 335.98	335.38	331.42	313.89	341.7	1 (23)77	306.22	(12/1)	3/12/1 (23/7/8	p 61.92 (3/12/7
	F	IXED	INTE	REST				VERAGE EDEMPTI			1	Fri July 23	Thur July 22	Year		1986 Role		
_		т		,		_					- -	_		(approx.)		1		
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- ,	_						6			6275	_	248	1253	14.85		6 (12/1)	12.48	
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3	Over 15 years	153.85	+0.42	121.25	1 –	7.64		Oupons		6875		3.08	13.13	25.46		28 (5/1)	13.98 (
4	icredeemables	125.84	+0.40	1253	1 I	7.27	10 L	redeerable	_ 0,	£3.,	~~# ÷	263	12.65	15.97		6 (12/1)	12.59	
اء	All Stocks	117.56			1						_	177	11.81	12.99	_	4 (32/1)	1177 (_
7	AH 3(943	- 40.30	70.40	227.00	_	7.66		ets & Los				3.84	13.75	15.74		7 (12/1)	13.84	
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7	Preference	67.15	+8,18	67.03	<u> </u>	3.79	-	reference			-	4.77	14,80	16.24	_	4 (01/1)	14,77 (
	Equity	y section	or grou	p	64	se date	Base	value			E		stien or			Base date	Base valo	•
Other Industrial Materials						287.41				Financial				31/12/70	128.06			
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Oversets Traders				1/12/74		0.00 3.84	All Other					******	10/4/62	100.00				
Mechanical Engineering				31/12/71 153.84 31/12/71 153.84				British Government					*****	31/12/75	100.00			
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ENGINEERING MACHINE TOOLS

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MAN IN THE NEWS

The major asset of Chrysler

BY TERRY BYLAND

MR LEE IACOCCA was clearly enjoying himself on Monday wben he anneunced that Chrysler had made a profit of \$107m in the second quarter, Chrysler's best since its brush with oblivien. The sbnwy set-ting of New York's Waldorf-Asteria hotel, the cight televisien cameras, the jestling pre-sence ef mest of Wall Street and all the Press cerps, and the sbeer bezazz of the occa-sion, all combined te bring out Mr lacocca's increasingly public

He cheerfully swapped jokes with the stockbroker analysts offered to punch the first man who described Chrysler's prefits as "in line with expectations." He treated his audience not just to a spirited defence of Chrysler'a fight back frem the edge ef disaster but also to a strongly worded critique ef the U.S. menetary and eceno-



mic scene. In a deadly phrase, he said the American people were "twisting in the wind" of high interest rates. And se on until, in answer to a question from the hall, he ence again denied any intentions of running for President of the U.S.

The rumeurs of political ambitions can probably be taken with a large pinen of salt. They seem to be rooted Mr lacocca's success in own advertisements for Chrysler, and ie hls vigorous projection of Chrysler's case in home and overseas demand, ess to argue that case on Wall Street or in the Press whenever the opportunity arises. But he bas made little serious attempt to date to seek a genuine political constituency or lo pusb his verbal battle into any areas other than those directly relevant 10 Chrysler.

He has suggested to Congress and the Administration a fivepoint programme for economic recovery in the U.S. but the main plank—a call for a sub-slantial tax credit for U.S. citizens buying U.S. cars returning more than 25 miles per gallen—is hardly in the ballpark of real politics

The free-swinging political npinions seem to be part of a role Mr lacocca has been forced to play as the first spokesman for Corporate America since the wird "failure" hecame mentionable. He may not be the last by any means. Corporate bankrupteies are now at record levels in the U.S. and a number of big names could shertly find themselves facing the same prospect that Chrysler faced three years agn and there's the ruh. For Chrysler's success in ahtaining government lean guarantees was

never fully acceptable to political America. When Chrysler went to the U.S. Government for aid in 1979, there was no shortage of voices in Congress and else-where who urged that the car where who urged that the car company should be allowed to go to the wall, in accordance with the spiril of private enter-prise. And there are plenty of prise. And there are plenty of people who want to see Chrysler fail for that very reason. Dis-dain for those who seek government handouts runs deep in the U.S. and if Chrysler has been able to maintain public sympathy at a time when there is no shortage of other supplicants for government aid, then it is largely Mr lacocca's doing.

He has given Chrysler and its problems a human face, in contrast te the buttoned down style of corporate identity favoured in most major business corporations in the sixties and

'seventies. Mr lacocca's vehement identification with Chrysler has helped him in more practical fields, It has helped him persuade the Auto Warkers Union Chrysler at \$3 an hour less than in lci its members work for at General Motors. It has helped him to bring robots into the factories without stirring up

any major labour problems. Of course, Chrysler is by ne means out of the wood yet. This week saw the opening of the latest round of wage negotiations with the Auto Workers Union, It will be hard work to persuade them to accept further wage restriction at Chrysler.

Israeli aircraft bomb Beirut again

JOHN BROWN, tha engineer- is quite impossible sensibly to

the unlikely event of the probthat the group is finding tradlem not being resolved, "we ing very difficult so far this
ceuld face a substantial liability
but the extent of this liability "I have to emphasise that

predict.'

ISRAELI AIRCRAFT bombed tien te get eut of Beirut.' Beirut yesterday, intensifying military pressure en the 6.000

Recerts from Beirut said buildings throughout the city shock under the weight of the attack. An Israeli military spokesman aaid the hombing raids were aimed selely at the control of the city shock under the weight of the attack. An Israeli military spokesman aaid the hombing raids were aimed selely at the control of the city of the control of the city raids were aimed selely at Palestinian tank and artillery

Israeli army communiques did not cite ceasefire violatiens as a justification for the raids as they had after Thursday's en Syrian and Palestinian pesitiena in eastern

A Wastern diplomal said in Tel Aviv: "This seems to be an unequivocal warning te the Palestine Liberation Organisa-

ing group, is making no provi-

sien in its accouets for losses

that might arise if it is unable

te fulfil its £104m centract te supply turbines for a Seviet

The deal is in laopardy ewing to the U.S. Government'a ban on the sale of U.S. goods and technology to the Soviet

Uniee. Jehn Brown produces

turbines under a manufactur-

ing asseciation agreement with

In his statement accompany-

ing the group's preliminary

rasults for the year to March, 1982, Sir Jehn Mayhew-Sanders,

the chairman, said the directers

were hepeful that the way

would soon become clear for the

group te complete the contract. But he also warned that in

Automotive axes

900 and cuts

hours for 7,500

By Arthur Smith, Midlands

Correspondent
AUTOMOTIVE PRODUCTS, the

Midlands motor parts supplier, aneeunced plans yesterday to

axe 900 jobs and put more than

7,500 workers en short time. The move, blamed on weak

mounting

ameng suppliers at the reces-

sion ie the werld car industry. Abeut 40 per cent ef the

company's eutput of clutches.

brakes, steering equipment and gearhexes goes to 120 overseas countries. The latest cuts follow a reduction in the work-

force from 12,000 to about

dundancy have been called for

from the 7.000 workers at the

main plant al Leamington Spa.

A four-day week begins on

August 9, after the summer holi-

is sought in the parts and ser-

Automotive said the cuts were

But sales remained

delayed in the hope of improved

Belfast lay-offs, Page 3

Thatcher en Thursday night,

but got little response. British Shiphuilders, which is

we're not asking for the

He thought the government

But he is known to bave been

unhappy about the projection ef

a 4 per cent real growth rate

in the second half of this year,

the forecast now expected to be

published on Monday, as part

of the Administration's mid-

two weeks ago, it aroused wide-

dencit would he very much

higher than the \$100bn to \$110bn which next week's fore-

Mr Weidenbaum had argued and

casts are expected to show.

year ecenomic forecasts.

spread scepticiam

cconomists.

sity in St. Louis.

Cunard

four-day week.

demand.

concern

10.000 in 15 months.

The company appealed te workers last night "for cemmon has so far sold the fighter to sense lo prevail" in accepting Australia and Canada in addition lo the U.S. Navy and

A cut of 300 from 1,500 jobs : use of four Spanish bases.

vice division, at Banbury. The this month after Spain became night shift will end and the retithe 16th member of Nate. The maining workers will go on a U.S. government has asked Con-

materials for the UK group.

Mr Robert Atkinson, chairman of Brilish Shipbuilders, subsidies, but many backsaid the Government ahould benchers and some cabinet ministers believe there is room

could provide funds so that the creased from the f10m agreed.

leaching at Washington Univer- that strong measures, including

When this ferecast was leaked Budget Directer), his views we weeks ago, it aroused wide-went unheeded. Of these three

With a more realistic professional economic back-economic growth rate, the pro-jections for the 1983 budget agreed to be the most influen-

among

Reagan Continued from Page 1

General Electric ef the U.S.

Mr Casper Weinberger, the

U.S. Defence Secretary, can-Palestinian guerrillas beseiged celled plans to go to Califernia

> negotiate the withdrawal of the Palestinian forces from Beirut, held four heurs of talks in Damascus yesterday with President Hafez al-Assad ef Syria before flying on te Saudi Arabia. An American official des-

cribed the talks as "exhausting" but claimed they were also "positive and constructive."

John Brown hopeful on £104m

Soviet pipeline turbine contract

The accounts showed that at

March 31 the greup had total

sharebolders' funds of £114.2m. The financial consequences ef

feilieg te perform on the coe-

tract are impossible to calcu-

late, as are the effects on the group of any U.S. reprisals that might be applied if it breaks

Sir John said yesterday this

was case where, unfortunately,

a legitimate and binding con-

tract had get caught up with a

very impertant policy considera-

In line with a ferecast made

in January, John Brown re-

ported unchanged profits ef

But the chairman's statement

Spain to buy 84 U.S.

fighters in \$3bn deal

SPAIN yesterday announced it listed by the Spanish govern-would huy 84 U.S. made ment together with its direct

McDonnell Douglas F-18A com- competitor, the F-16, built by

(£1.72bn), the biggest single operated by Norway, Denmark, weapens purchase in Spanish Holland and Belgium as well as

military history. The jet fighters the U.S. under the multilateral

are scheduled for delivery terms of the 1975 so-called towards the end of 1985 to redeal of the century." The

also contained a stark warning

bat aircraft at a cost of \$3bn

place existing squadrons ef

The Spanish contract is the first landed by McDonnell Douglas for the sale of F-18As

to a European Nato country and

its successful conclusion is expected to be a factor in forth-

coming major combat aircraft

Marine Corps.
The purchase, expected to get

U.S. Congressleoal approval.

will be paid partly through U.S.

loans offered as part of a bilateral defence pact under which American forces have the

The pact was renewed earlier

gress to authorise \$400m credits

en favourable terma for the

modernisation of Spanish armed

forces in the year beginning

The F-ISA had been ahort-

new ship, which would be

larger than the Atlantic Con-

veyor, would have some defence

features, or it could provide favourable credit for Cunard as

for manoeuvre. Some have sug-

gested that government compen-sation for the lost ship he in-

tax increases, were needed to

keep next year's budget deficit

under control. However, al-though he was, in theory, one

of the three economic advisers

with direct access to the Presi-

dent (the others are Mr Donald

Regan, the Treasury Secretary

and Mr David Stockman, the

economic advisers. Mr Weiden-

baum was the only one with a

tial economic official in the

emphasises that he is net an

economist but a businessman, and "majored in English"

frequently

Administration.

October 1 1983

Continued from Page 1

a British shipowner.

Phantoms and F-5s.

£14.2m before tax last year.

the U.S. sanctiens.

Mr Habib is seeking a reversal at least one officer. of the Syrian announcement that

tinians if they left Beirut.

A Syrian spokesman said after the talks that bis Government rejected American ideas for a solution of the crisis by stages. President Assad repeated his after the invasien. assertion that the majer problem in Lebanen was the Israelt invasion and all efforts should be concentrated en achieving a withdrawal of the occupying

In south Lebanna the Israelis placed the city of Sidon under curfew while a house-to-house search was conducted for a guerrilla greup. The PLO claimed it had attacked the Israeli command centre in Siden on Thursday and killed

It was the first time this it would not accept the Pales- month that the army bas im-

the current year is going to be

very tough. Unless an unex-pected and substantial econemic

revival starts soon, we shall make less profit this year than we did last," he said.

He aded that be thought that

The shares fell 7p yesterday

the optimism about a recovery

being expressed by the Govern-ment and a few small cempany chairmen was "ill-founded."

• The West German Gevern-

ment made it clear vesterday that it has "ne legal basis" to

erder companies in the country

to deliver equipment made under U.S. licence te the Soviet.

natural gas pipeline. In Paris, industry and trade

officials said President Reagan's

trade sanctions against the pipe-line will not be violated by

French companies until October

1983, when Alsthom-Atlantique

plans its first deliveries. Results, Page 16

General Dynamics which

Toruado, built by the British,

West German and Italian con-

sertium Panavia, was also

originally considered, as was

The decision on the type of

aircraft to re-equip the Spanish

alr ferce was more than a year overdue and completes a feasi-

bility study first initiated by the Defence Ministry in 1978.

has been sharply criticised in

administration and Spanish

one inevitable result has been

that a proportion of present

Phantoms and F-5s in operation

will be more than 20 years old when their replacements come

Details of the technology transfer and local production

arrangements were not imme-diately known but it is believed

that the F-18A's twin engine

gave the McDonnell Douglas air-

craft the edge over its aingle-

U.S. offers fighter to India,

Andre de

Brett rises

PRE-TAX PROPITS at Andre

de Brett in the year to March 31
1982 rose by 93 per cent from
£464,000 to £895,000—slightly
ahead of the £875,000 forecast at
time of entry to the Unisted

Securities Market in April 1982.

Turnover rose from £3.28m to

A net dividend of 1.5p per 10p

share is recommended—last year

no payout was made. Earnings per share are stated higher at 5.63p (4.71p), before the deduc-tion of an extraordinary debit of

£88,000 (nil), being issue costs

borne in connection with entry

The company, whose main

business is selling outsize cloth-

ing to women by direct mail

order, says that turnover for the

first three months of the current

year has been encouraging and

the board looks to the future

Mr Jack Linton, chairman of

de Brett, said yesterday that

much of this year's improvement

was due te recovery from depressed trading levels in the

previous year. He said he hoped the company could achieve a 30

per cent profits growth in the

current year, if present trading

Tax for the year took £444,000, leaving retained profits of £243,000 (£377,000),

into the USM.

with confidence.

trends continue

by 93%

aerospace industry circles and

The delay in decision-making

the Mirage 2000.

into aervice.

engined F-16 rival.

posed a curiew there, and underlined the continued, if sporadic, PLO resistance facing Israel's thinly-spread occupation forces mare than seven weeks

Mr Menahem Begin, the Israeli Prime Minister, bolstered his shale coalition by signing an agreement with the ultra-nationalist Techiya (Re-Party. naissance) opposes the Camp

accords with Egypt. The addition of the threa Techiya seats means the go-mment now has the support of 64 of the 120 Knesset members and should survive any parliamentary challenges while it is involved in Lebanon.

Iarael's "most important war." Page 2

Racal picks Scrimgeour as broker

GRIEVESON GRANT, the stockbroker which took over the cor-

Gee as it broker. In the City yesterday it was suggested that Racal bad notified Carr Sebag that it intended to change its broking arrangements about four months ago. But the company, one of tha most prized corporate accounts, was per-

In June, Grieveson took over the corperate finance side of Carr Sebag "as a going concern" and paid less than £1m for a list of more than 100 accounts. Yesterday, Grieveson said " a lot of companies will be reconsider ing their stockbroking arrange

Already, Lonrho, another substantial corporate account, ls allegiance away to another firm, now that Grieveson has taken

Labour leader, last night expressed his confidence that the autumn party conference ck nim in ruing iba the Militant Tendency cannot remain as it is within the

RATHER CLOUDY with a little drizzle in places, but some sunny periods, especially in northern areas. London, S England, the

Mainly dry with su periods. Max 21C 170F).

Scotland, Borders, the Highlands, Uister

Mainly dry with sunny periods, becoming cloudy in places later. Max 22C (72F). Outlook: Mainly dry in the South but rain in the North.

WORLDWIDE

Y'day

Y'day

		mid	day	1		मार्थ		ı
	_	•c	•F			~	"F	ı
Ajaccio	а	28	82	L. Ang.t	F	20	68	ı
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Athana	F	31	88	Madrid	3	29	84	i.
Bahrain	S	35	97	Majorca	S	34	. 93	•
Bercina.	F	27	81	Malaga	S	37	33	١.
Beirut		<u> </u>	_	Maita	S	-33	91	
Bolfast	C	15	59	M'chstr.	C	15	· fit	ı
âelged.	S	30	86	Melbne.	F	15	59	ł.
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Blackol.	Č	15	64	Montel.†	F	20		П
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Cardell	č		<u> 51</u>	Nice	\$	28	82	0
Cas.p.cs	5	24	75	Nicosia	5	29	84	1
Cape T:	C	12	54	· Onarta	5	20	88	1
Chicg.t	F	19	66	Conto -	F	26	77	1
Cologne	C	21	70	Pens	C	20	68	H
Cphhan,	\$	24	75	Perzh		18	64	П
Contu	S	31	28	Prague :	F		75	
Denvert	F	23	77	Reykjyk.	Ř.	10		
Dubhn	f	15	64	HEAK LAK			82	
	Ś	28	95	Rhodes	S.	28	84	1
Obrynk,	2		94	Rio J'ot	_`.	=	==	1
Edirboh.	Ç,	18	54	Rome	F	30	86	Н
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Frankit.	С	19	6 \$	S. Moritz		_	-	
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l.a.Man	Ċ	18	91	T'rentet		-20	58	П
lstanbul	S	28	82	Tunis	F	32	90	П
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L Pime.	6	23	73	Vienne	R	24	75	П
Lisbon	ġ.	23	73		ŝ	22	72	ú
1	ž.	ac .		77 27 00 77	.=	=		

proter which took over the cor-porate finance business of the tropbled Carr Sebag firm, will net be acting fer Racal Elec-tronics, a big corporate client of Carr Sebag. Racal said yesterday it had appointed Scrimgeour, Kemp-Gee as it broker. In the City

suaded by the firm to delay its

ments. You win some, you lose

Foot confident on Militant

MR MICHAEL FOOT, Labeur Party.

In an interview for the BBC Television Newsnight pro-gramme, to celebrate his 69th birthday, Mr Foot denied that the ruling would constitute

Weather

UK TODAY

Midlands, E Anglia, Channel Isles, N England Rather cloudy with a little

drizzle and sunny intervals developing. Max 21C (70F). Wales, SW England, NW England

	•c	*	~c	"F
Ajaccio a	28	82	L Ang † F 20	68
Afgiera S	32	90	Larembo C 20	68
Amadm, C	٦a	64	Laxor	
Athana F	31	88	Laxor — Madrid S 29	84
Bahrain S	35	97	Majorca S 34	93
Bercina, F	27	81		33
Beirut		_	Maita 5 33	91
Belfast C	15	59	M'chstr. C 15	
aelgrd. S	30	86	Melbre. F 15	59
Barlin F	25	77	Mx. C.t —	
Bearries C	22	72	Mismit F 28	
âmghm. C	15	61	Milan 8 28	82
Blackpi, C	18	64	Montel . † F 20	
Aordx. F	22	72	Mascow F 21	70
acuign. C	ta	84		66
Bristol C	1a	61	Naples F 29	84
Brussels C	19	66	Nassau	
Budget T	26	79	Nwcsel. C 13	
Cairo	-	_	N Yart E 22 '	72
Cardell C	15	61	Nice 5 28	82
Cas'b'es S	24	75	Minnella C 20	84
Cape T: C	12	54	O C '30	68
Chicg.† F	19			77
Cologne C	21	70	Pens C 20	68
Cphhan, S	24	75	Perch F 18	64
Contu S	31	90		75
Denvert F	23	33	Clayve . r 24	
Dubhn F	15	64	Reykivk, B. 10	82
Obrynk, S	28	95	Rhodes S 28	84
Edinboh. C.	18	94	Rio J'ot —	==
Feno S	26	24	Rome F 30 Salzbro, R 20	86
		/3	Salzbro, R 20	68
Florence F	33	31	SFact -	-
Frankft, C	19	66	S. Moritz —	-
Funchei S	23	73	Singapr. F. 31	88
Geneva F	25	77	S'magot —	-
Gibratter S	31	·88		73
Glasgow S	19	66	Strasbg, F 23	73
G masy C	17	63	Sydney C 16	61
Heleinki C	17	- 63	Tangier S 25	77
H. Kong F	31	.88	Tel Aviv 5 28	82 I
lansbrk, F	17	63	Tanadia - 2. 27	a1 .
IMPITERS S	1a	85	Tokyo F 27	81
l.a.Man C	1a	91	T'rented C 20	58
Istanbut S	28		Tunis F 32	90
Jersey F	19	66		86
Jo burg S	20			82
L Ping, F	23		Vienne R 26	75
Lisbon S	23			72
Locamo F	26	- 70		/3
London C	ĩã	61		
C-Cloud			Feir Refu	. i
			T. Thursday	

THE LEX COLUMN

Don't cry for Lloyds Bank

The stock market is thriving on cheaper money, with continuing demand for gilt-edged yasterday based on the assumption that interest rates still have a considerabla way to falk Equities have followed gilts bigher and the All-Share Index closed the week at a record level, although the message coming out of many mannfac turing companies at present is gleemier than ever.

Lloyds Bank

A casual reader of Lloyds Bank's interim statement might be excused ignorance of the company's major exposure te the Argentine economy. In the six months to June the overall charge for provisions for bad and doubtful debts is little changed from the level of the preceding balf year. The performance of the local Argentine operations is acknowledged-pretty dull, apparently—and the possible difficulties over syndicated loans passed over in a year earlier, although there has been an 8 per cent decline from the level in the second balf

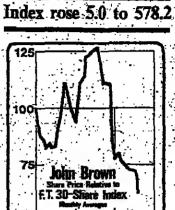
A year ago the international side was the main engine of growth, but there has been a decline here in the latest six months. Instead domestic banking operations have taken up investor relations front, and the running, with a 6 per cent gain in profits compared with the second balf of 1981, Volume gains bave compensated for the slight erosion in the interest rate endowment effect. The underlying incerase in advances comes out at about 24 per cent, partly reflecting a sharp increase in bouse mortgage business, although lending to industry bas also been bueyant. Meanwhile staff costs have also been

In fact advances have grown too fast for Lloyd's deposit base to keep up and some of the new business has been taken on at a decidedly marginal return. Not only has the growth making no provision at this In current accounts been vir-stage presumably on the basis tually-non-existent, but Lloyds has been forced, fer the first ef contract default or U.S. blacktime, to resort to the wholesale listing do exist, a favourable money markets as a source of resolution remains the most. money markets as a source of resolution remains the most bedrock funding. At times this likely outcome Clearly, though, source has provided up to 10

under tight control, with an underlying rise of about 10 per

per cent of overall funds.

U.S. position could be very unThe bank has blithely ignored settling for the John Brown all the angry sounds from the sbare price.



Government on bank taxation and leasing. Its usual practice of providing for a modest enough 25 per cent of its capital allowances in deferred taxation has been dropped in favour of a nil provision; the tax charge has been reduced by £58.5m as respectful silence. So earlier has been reduced by £58.5m as worries about the Falklands 4 result. To undertake this fall-out look pretty exaggerated; piece of window dressing of what is the strongest balance cent at £193.1m compared with a sensitive time looks rather. a sensitive time looks rather odd. The sharea rose 4p yesterday to 400p, where the prospective yield is at least 9 per

John Brown

John Brown has had a troubled year, not least on the yesterday's preliminary atatement is not designed to ensure the stock's quick return to the portfolios of widows and orphans. Pre-tax profits for the 12 months to March turn out, as forecast, a whisker below the previous year's £14.2m, and the shares were marked up-until dealers read right through the chairman's statement. By the reached the words "we shall make less profit this year than we did last," the shares had slumped 7p to 484p. On top of the more predictable

eadaches Brown has to contend with the uncertainty over its gas turbine contract for the Siberian pipeline. It is sensibly any further hardening of the U.S. position could be very un-

strong performance in engineer. ing and censtruction than largely to contract completions rather than new work, which as Davy's cautious statement recognised earlier in the week is now very hard to come by Machine tools in the AIR made their forecast \$4m loss, and the figure will again be deepest red this year. There seems likely to be a serious deterioration in Leesona'a plastics and textile machinery businesses where erders have dried up.

Since Brown normally says that it can make no useful forecast until quite late in the year, ready-formed especiations of lower profits at this early stage probably point to a steep fall, perhaps below flum. There is the promise of a strong 1983-84 in construction (contract completions again) proided that the level of incoming work is covering overheads properly. And of course any improvement in demand should come through fast to the bottom line, not least because parts of the business are over

Falling that, the directors will have a hard decision on the final dividend next July. The balance sheet is fairly extended, with £88m of term debt—offset by £13m of net cash—against £114m of equity. incorporating a recent property revaluation. The yield on an unchanged dividend is 13.1 per cent, and the market capitalisation of £63m is only 24 times the amount raised by last autumn'a one for three rights

Corporate finance

The purchaser of a medical practice does net expect to keep all his predecessor's patients and in the City, too, goodwill matically. Brokers Grieveson Grant, who extracted the corporate finance jewel from the rusty crown of Carr Sebag a couple of months ago, are finding this out the bard way. Racal, one of Carr Sebag's

mest valuable clients, is transfirm of Scrimgeour Kemp-Gee, which has considerable research expertise in electronics. While Lonrho is considering switching. A few more defections like these and the deal will look to have been a waste of resources; Grieveson must be hoping that client list rather less volatile.

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